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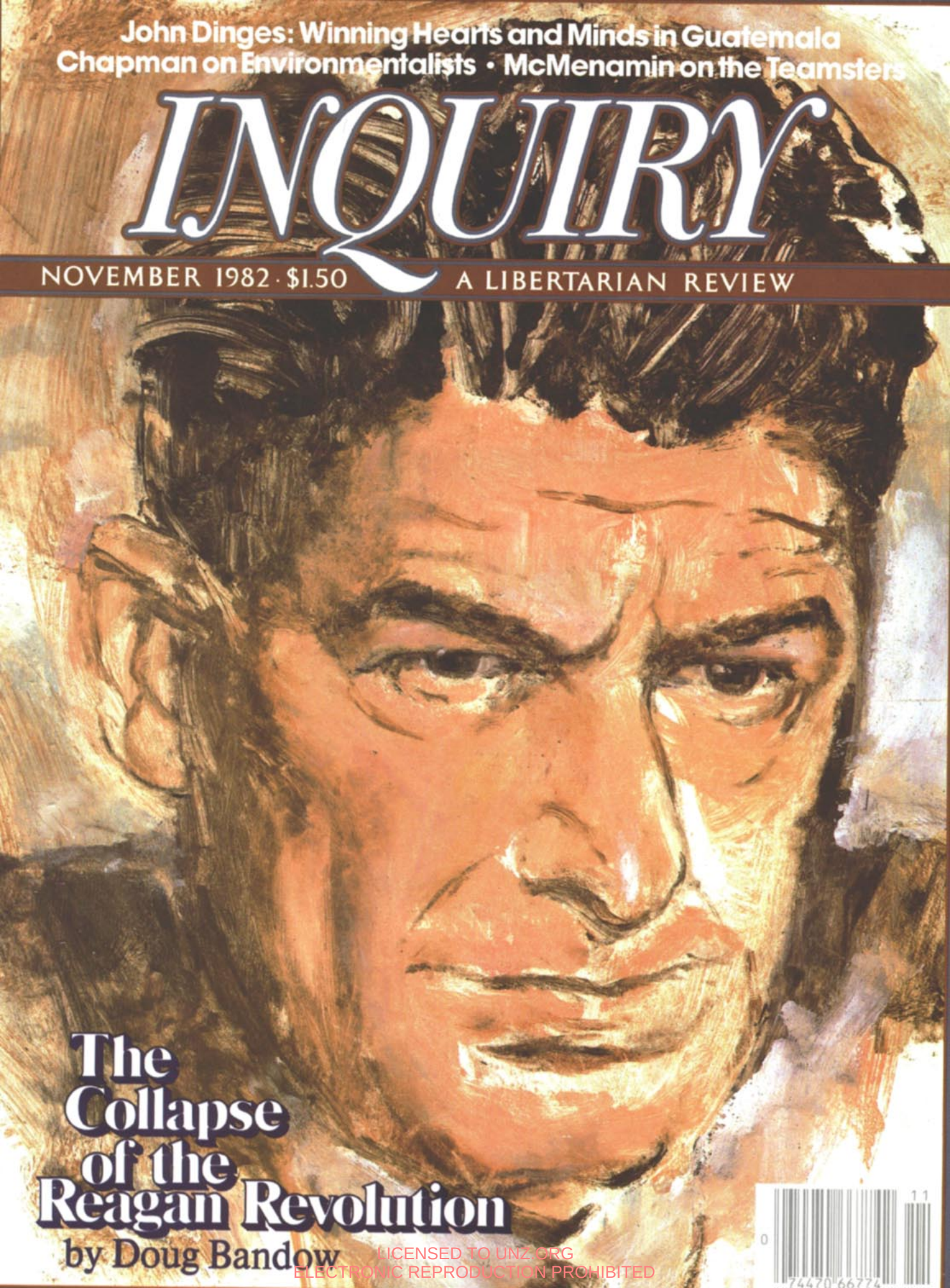

The Collapse of the Reagan Revolution

by Doug Bandow

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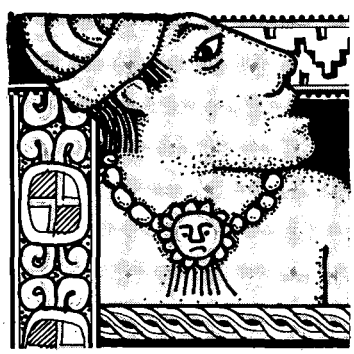

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Res Publica

He's actually looking for candidates

■ One hundred journalists who cover the [California] state capital are being asked detailed questions about their sex habits and financial and personal lives by Assemblyman Art Agnos (D-San Francisco). Agnos said replies to the eight-page questionnaire will be used in an article on the media he is writing for *California Journal* magazine. Reporters are being asked if they cheat on their spouses, if they sleep around, if they use drugs and how much money they earn moonlighting. Agnos said the questions are "dehumanizing, insulting, and offensive" and added: "We're just reversing the process to give you (the press) an experience of what it's like to get questions of that nature."

—Los Angeles Times, September 1, 1982

Marcos sets a personal example

■ President Ferdinand E. Marcos of the Philippines urged an early start today on the long-delayed global negotiations aimed at shifting wealth from rich nations to poor.

In an address to the General Assembly [of the United Nations], Mr. Marcos said that third world countries were the principal victims of the worldwide recession.

—New York Times, September 23, 1982

■ Whatever future use Philippine President Ferdinand Marcos and his wife Imelda have in mind for it—as their port in a political storm or just a hideaway for Imelda on her frequent U.S. visits—the Long Island [New York] estate they quietly bought for a reported $1 million and have spent the last two years and millions more renovating, is ready at last for occupancy.

—Washington Post, September 21, 1982

White makes right

■ In the nineteenth century, the United States absorbed something like forty million immigrants. But the vast majority were of a fundamental culture, and they were all white. They were not black or brown or yellow. . . .

Today we have this curious idea that we must tolerate to the maximum all the diversities.

—Clare Booth Luce in GEO, September 1982

What a backfield!

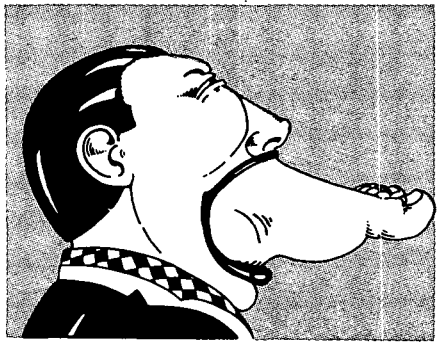
■ The doctrine of Marx, Keynes and Galbraith, previously confined to college classrooms and governments, has arrived on the 50 yard line and endangers the 1982 National Football League (NFL) season.

—Conservative Digest, August 1982

After the arrest they were beaten to ecstasy

■ The [Greek] government today ordered the arrest and trial of 47 publishers who it said had defied a ban on publishing the works of the Marquis de Sade.

—New York Times, September 16, 1982



Let's see the green card on that tortilla

■ The Mexican Department of Commerce issued a list of basic foods it said could not be taken from Mexico without written authorization. The directive said customs officials would confiscate any of the items found in the possession of shoppers returning to the United States. The items on the list ranged from tortillas to sugar.

—New York Times, September 9, 1982

And it hurts less than a tattoo

■ Unless we are willing to debase the meaning of words, signing a [draft registration] card at the post office is not oppression. It is not slavery. It may be dumb, but it is not an infringement of liberty. Sorry, boys, the Sixties are over.

—William Greider in Rolling Stone, September 30, 1982

They should also feel free to turn themselves in

■ Millions of Iranian students started the new academic year today with a message from Ayatollah Ruhollah Khomeini urging students to spy on their teachers and classmates, the national press agency reported. . . .

"Students should closely and in an unbiased manner watch the behavior of their teachers and report the deviated teachers to the authorities," the Ayatollah said. . . .

—New York Times, September 9, 1982

Space pigs

■ Soviet cosmonauts working on board the Salyut 7 spacecraft were delighted when Svetlana Savitskaya joined them on their flight. . . .

Station commander Anatoliy Berezovoy greeted her with a terrarium of flowers and suggested she cook meals for all five cosmonauts. Not a chance, said cosmonaut Savitskaya, adding: "Housekeeping details are the responsibility of the host cosmonauts."

—Aviation Week & Space Technology, August 30, 1982

Stop those terrorist post cards

■ Sen. Jeremiah Denton (R-Ala.) says he is as interested as anyone in maintaining the First Amendment, but he also thinks Americans should give up some civil rights in order to protect against terrorists. . . .

Attacking "so-called liberals" and the news media, Denton recalled that mail and news censorship was imposed during World War II and suggested that "perhaps the pendulum may have swung too far" since then.

—Atlanta Journal, August 12, 1982

Only her government knows for sure

■ A recent opinion of the [California] attorney general concludes that hair braiding falls within the regulatory purview of the [state] cosmetology board, so the cosmetology board is demanding that hair braiders be licensed. That involves 1600 hours of schooling in manicuring, facial massage, hair coloring and electrolysis, and . . . hair braiding.

—Escondido Times-Advocate, September 8, 1982

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The bankers' house of cards . . .

The default of nations

What happened on September 10 might once have thrown the world financial community into a panic. Instead, hardly anybody noticed.

On that day, Poland officially defaulted on $2.4 billion in 1981 debts owed to 503 Western banks, part of its overall obligations to the West totaling more than ten times that amount. Poland observed "cross default day" as it had every day for the last year—by not paying a penny of interest or principal to its creditors.

The reason no one blinked was simple: Poland is no longer unique. There are so many other basket cases, from Eastern Europe to the Third World, that many international lenders now share the view of Denis Healey, Britain's former Chancellor of the Exchequer, that the world faces "a catastrophe greater than the slump of the 1930s."

Healey exaggerates, of course, yet there is no denying that a growing number of countries find themselves in trouble. Third World debt alone has skyrocketed from about $100 billion in 1973 to an estimated $640 billion by the end of this year; Argentina now spends 78 percent of its export income servicing its debt, Brazil earmarks 67 percent of its earnings, and Mexico was paying out 58 percent of its earnings until the peso crisis made the country insolvent.

Other countries in trouble include East Germany, Zaire, Bolivia, Rumania, and some surprises. Socialist Cuba, for instance, which used to run a tight ship, suddenly found itself owing foreign banks $1.6 billion last December, not to mention huge sums to the Soviet Union. With its economy in a two-year slump, Cuba hasn't been able to come up with the cash and is now pleading for a three-year moratorium on debt repayment. Capitalist France (under socialist management), having run a record deficit of $15.8 billion that crowded out domestic borrowers, is now raising money abroad and may turn to the International Monetary Fund (IMF) for further support.

Everyone but the Reagan administration has a simple solution: let the international lending agencies come to the rescue. In particular, most Western industrialized nations have joined ranks with the Third World and the major commercial banks to propose an increase of up to 200 percent by 1985 in the lending capital available to the IMF. Created in 1946 along with the World Bank, the IMF was designed to stabilize the world's currencies by granting short-term loans to countries with temporary balance-of-payments difficulties. (The World Bank, on the other hand, makes long-term development loans.) The fund is controlled principally by the nations that contribute to its capital; the United States, with 19.5 percent of the voting power, provides 20.7 percent of the IMF's capital base. Since 15 percent of the votes suffice to veto major policy initiatives, the Reagan administration could buck world opinion and keep the fund on its old, relatively conservative, course.

Such a veto would be the only sensible policy. The IMF already has $27 billion in lending authority to spare as it is. Should its $65.9 billion in capital be increased, say, by another $100 billion (well within the limits of a recent French proposal), IMF rules would give the bank the right to lend an additional *$450 billion*—turning it into an inflationary time bomb of global proportions. With such means at the IMF's disposal, the temptation would be enormous, as it has been for most central banks over the last decade, simply to reinflate the sick economies to help them out of their liquidity crises. But with countries like Argentina already suffering from 270 percent annual price inflation, such a course would threaten the entire world with a German-style hyperinflation.

Unfortunately, a once-reluctant Washington appears to have knuckled under to the demands of the debtor nations and agreed to boost the IMF's capital base by at least 25 percent. Worse yet, the administration has begun exploring the idea of a special IMF "bailout" fund for use in case of a "generalized world-wide financial crisis." Such a fund would no doubt further relax the IMF's lending standards and might open up the institution to endless rounds of politicking by nations clamoring for assistance. Both these administration initiatives, in short, are a bad deal.

None of which is to minimize the painful economic crisis now besetting countries like Mexico and Argentina, or to belittle the suffering of their hapless citizens. But the IMF cannot be their savior; its loans will only delay, and perhaps worsen, the day of reckoning. These nations have become insolvent through gross economic mismanagement; foreign

"LORDY, WHO EVER SAID BANKING WAS A DULL BUSINESS?!"

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loans disguised and perpetuated the ineptitude of successive regimes, without solving any structural problems.

Mexico is an ideal case. Sitting on top of one of the world's largest pools of oil, Mexico is the envy of most of the Third World. It enjoyed one of the fastest growth rates of any country in Latin America, expanding by more than 8 percent a year between 1977 and 1981. But in the process it accumulated a foreign debt of $81 billion and ran up annual interest and principal repayments exceeding its entire oil earnings. The government, living beyond its means, ran a staggering budget deficit last year amounting to 15 percent of Mexico's GNP. Most of it went to subsidize the country's burgeoning urban population, with below-market prices for everything from tortillas and bread to electricity and gasoline. In the process, the government has contributed enormously to the crippling problems of urbanization, crowding, pollution, and even unemployment (by encouraging energy-intensive industries).

President José López Portillo and much of Mexico's top leadership have been exposed as large-scale grafters and embezzlers, but they have robbed their countrymen of billions more through economic controls and the expropriation of the nation's resources. Now the government, having left the nation in its worst crisis since the depression, is resorting to even more of the same: nationalizing the banks, eliminating all significant foreign commerce through draconian exchange controls, fixing an overvalued exchange rate, and coming to the United States and the IMF for more foreign loans. The newly appointed director of Mexico's central bank, Carlos Tello Macias, despises the sort of belt-tightening usually proposed by IMF economists. He diagnoses his country's ills as stemming from inflation caused not by his own central bank but from high interest rates and a falling peso that raises import costs. His solution: mandate lower interest rates and fix the peso. Ah, if only it were so simple. Judging by the way thousands of Mexicans are spiriting their life savings across the border, it would appear that not too many of his fellow citizens share his faith.

Now, for the first time in memory, Mexican and foreign commentators are talking openly of the possibility of a military coup. Equally serious is the threat of internal unrest—which may explain why nearly half of Mexico's army has moved into Mexico City. Either eventuality would be tragic; neither need happen if the López Portillo administration would finally accept responsibility for the folly of its economic policies.

Aid from the IMF, or from the U.S. Treasury directly, will only allow the López Portillos of the world to avoid that responsibility. It would rescue the Argentine generals from paying for their disastrous war, absolve the French government from shouldering the cost of nationalizing the country's banks, and encourage the life ruler of Zaire, Mobutu Sese Seko, to continue looting his nation's resources for the benefit of certain Swiss bank accounts.

Finally, such aid would also bail out irresponsible commercial banks—with such illustrious names as Chase Manhattan, Citibank, and Bankers Trust—which greedily lent billions overseas on the smug assumption that no one would ever let a foreign government go insolvent. Chase Manhattan—which has seen its credit rating battered by the Drysdale Securities and Penn Square bankruptcies, and now the threat of huge losses in Mexico, Peru, and Argentina—has joined other major banks in pressing the Federal Reserve Board to support an expansion of IMF lending capital. Such a move would make the Chrysler and Lockheed bailouts look like penny antes. The Reagan administration should remember that economics isn't called the dismal science for nothing. In this case, good applied economics dictates discipline for both creditors and debtors—not a mandate for the IMF to flood the world with more money. ■

Vietnam redux . . .

Westy's libel offensive

Following the Vietcong's well-coordinated Tet offensive in January and February of 1968, General William C. Westmoreland hitched up his crisp olive-green fatigues and once again importuned President Johnson for more troops in Vietnam—206,000 more, which would have brought the total to over 700,000. He backed his request with his customary assurances that victory was within our grasp and this increase in manpower would only be temporary. But on this occasion, neither Johnson nor his advisers believed Westmoreland. Tet had taught them the lesson that the war could not be "won" and had sent many higher ups scampering for the nearest political exit. Within a few months of Westmoreland's request Defense Secretary Robert McNamara had resigned, Westy himself was recalled ("promoted" to Army chief of staff), and Johnson had declared, "I shall not seek, and I will not accept, the nomination of my party for another term as your president." Yet it took another seven years and hundreds of thousands more civilian and military casualties before Presidents Nixon and Ford managed to secure a "peace with honor."

To Westmoreland, it was clear as glass that the war effort had been sabotaged and lost, not in Asia, but here at home. He believed that a nebulous fifth column in this country had thwarted our war effort in Vietnam and denied him the necessary men, materiel, and, most important, moral support to do the job right. It must have been immensely discomfiting to Westmoreland to enter retirement knowing that, given a free reign, he could have won the war. "Surely small tactical nuclear weapons," he once said in retrospect, "would be a way to tell Hanoi something, just as two atomic bombs had spoken convincingly to Japanese officials during World War II and the threat of atomic bombs induced the North Koreans to accept meaningful negotiations during the Korean War."

Now the Vietnam conflict is raging once again for the general, but this time his vindication must come not on the battlefield but in the courtroom. On September 13 Westmoreland filed a $120 million libel suit against the CBS television network, reporter Mike Wallace, and four other CBS employees. He charged that a CBS documentary program, "The Uncounted Enemy: A Vietnam Deception," had robbed him of his honorable reputation.

The program included excerpts from a revealing interview with Westmoreland, to which he had agreed in advance and for which he had traveled from his South

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Carolina home to New York in May 1981. The thrust of the finished documentary, which aired January 23, 1982, was that Westmoreland had told President Johnson the number of North Vietnamese troops coming into the south via the Ho Chi Minh trail was no more than 6500 per month, when he knew that the actual number was between 20,000 and 25,000. The implication, of course, was that the underestimates were necessary to "prove" the war was winnable, and thus to get Johnson's approval for more U.S. troops.

Three days after the telecast, an irate Westmoreland called a press conference at which he labeled the documentary "a preposterous hoax." He claimed he had been "ambushed" by CBS and the "unscrupulous and arrogant" Mike Wallace and had been the victim of "premeditated malice." Westmoreland maintained he had been duped by CBS producer George Crile, who Westmoreland said had explained to him only that the prospective questions would cover "the broad topic of intelligence." But a few days later Westmoreland confessed he had "suffered a lapse in memory" and admitted that Crile had indeed sent him a letter before the interview outlining specific areas to be discussed. Westmoreland said "intellectual honesty" compelled him to make an apology to CBS. (It's worth wondering what Westmoreland expected from an interview by hatchetman Mike Wallace, whose invitation is like that of a fisherman asking a worm if he'd like to go fishing.)

The CBS-Westmoreland argument would have been quickly forgotten had not *TV Guide* decided to investigate the documentary and run a May 29 cover story titled, "Anatomy of a Smear: How CBS News Broke the Rules and 'Got' Gen. Westmoreland," by Don Kowet and Sally Bedell. The article made a number of valid criticisms, some of which were later seconded by CBS in its own internal investigation of the documentary. The article concluded that the word *conspiracy* should not have been used to describe inaccurate troop counts; that one of the interviewees should have been identified as a paid consultant; and that the program would have been more objective had it "sought out and interviewed more persons who disagreed with the broadcast premise."

These journalistic faux pas notwithstanding, General Westmoreland's devastating admissions on camera stand by themselves. In one sequence Westmoreland explains why he did not accept the report of his own intelligence chief that showed the communist force was twice as large as previously reported:

Westmoreland: I did not accept his recommendation. I did not accept it. And I didn't accept it because of political reasons. That was a—I may have mentioned this. I guess I did. But that was not the fundamental thing. I just didn't accept it.

Wallace: What's the political reason? Why would it have been a political bombshell? That's really . . .

Westmoreland: Because the people in Washington were not sophisticated enough to understand and evaluate this thing. And neither was the media.

It was not such sophistication—nor, certainly, any understanding of or regard for the First Amendment—that prompted General Westmoreland to file his libel suit against CBS. If the documentary was journalistically weak, as many thought it was, then the proper response in a free society would have been to seek out a forum for an effective rebuttal. The *TV Guide* article, in fact, had already provided such a forum to a significant extent. Truly free speech, regardless of its content or aims, can and should be countered with equally free speech, but not by legal action and the stifling atmosphere that accompanies it.

Westmoreland, of course, doesn't see it that way. He has said, "The question before the American people in *Westmoreland* v. *CBS* is not whether the war in Vietnam was right or wrong, but whether in our land a television network can rob an honorable man of his reputation." By couching the issue in these terms, he has reopened both questions, and the answer to the former bears directly on the answer to the latter. For the Vietnam War *was* wrong, tragic, and unjust, and it represented the ultimate extension of a foreign policy of intervention that exists to this day. And any man who presided over such a war has already called his honor and reputation into serious doubt.

Perhaps it is fortuitous that General Westmoreland is willing to drag his own name through the muck again. There is a whole new generation of Americans for whom Vietnam is merely something their parents used to talk about. They have never heard the terms *defoliation, Vietnamization, pacification,* and *kill ratios*, nor do they understand their meanings. Perhaps Westmoreland's legal action will afford them an opportunity to learn—and thus render a service to the nation after all. ▣

SHORT TAKES . . .

Middle East shame

■ **THE MEMORY OF THE SEPTEMBER** massacres of Palestinian civilians at the Shatila and Sabra refugee camps should not be permitted to fade. Though we need no further reminders of the horrors perpetrated by all sides in the Middle East, this particular tragedy underscores the responsibility of the United States for what has happened, and is continuing to happen, in the region.

The primary responsibility for the massacres, of course, lies with the Phalangist militiamen and the forces of renegade Lebanese army major Saad Haddad, who together murdered the Palestinians. Though there is no evidence that Amin Gemayel, Lebanon's newly inaugurated president and nominal head of the Phalangists, approved or knew of the militia's plans, his apparent inability to control the militia makes it even less likely that he will be able to reconcile Lebanon's warring factions.

The direct complicity of the government of Israel is also clear. The killings took place within sight of Israeli observation posts, and army officers and government ministers apparently knew that mass murders were taking place at least thirty-six hours before they moved to stop them. For Israel to have turned loose what they knew to be essentially a gang of terrorists to "purify" the camps, expecting them to heed admonitions to respect innocent life, was unconscionable.

Finally, the United States government must bear its share of responsibility. We have financed and equipped Israel, subsidizing its invasion of Lebanon. We have also acquiesced in Israel's use of our aid to support the Phalangists. One reporter has written of Christian militiamen eating American C-rations between their killing sprees at the camps.

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American involvement in the Middle East horror must stop. We can no longer subsidize violence and murder on any side. The Reagan administration should immediately cut off all economic and military aid to Israel and its neighbors. Peace will remain a remote hope if we do. But it will be permanently unobtainable if we do not.

■ **THE DEMOCRATS HAVE FINALLY** come forward with their answer to Reaganomics—a warmed-over version of the reindustrialization panacea being pushed by some would-be controllers of the economy. The House Democratic Caucus recently called for the formulation of an "industrial policy" with an Economic Cooperation Council (ECC) to foster "a partnership among labor, small business, big corporations, universities and government."

Unlike Herbert Hoover's Reconstruction Finance Corporation and Jimmy Carter's proposed Economic Revitalization Board, the ECC would not be empowered to transfer wealth from the politically unlucky to the politically favored—at least not yet. Democratic congressional aides admit they haven't ruled out that possibility, but they left it out of the proposal to gain maximum support.

The caucus also proposed massive federal spending for education, job training, roads, and bridges. They estimate the program would cost between $44 billion and $54 billion, to be financed by higher revenues generated by economic growth (they've become supply-siders) and higher taxes. Of course, at the same time they will be reducing the deficit and controlling inflation.

Unfortunately, the Democratic proposal is just more of the same. More government manipulation of the economy. More taxing the politically weak to subsidize the politically powerful. More private investment crowded out by political projects. And more economic stagnation, unemployment, and inflation.

■ **THE AMERICAN MEDICAL ASSOCIA-** tion and other professional organizations have been lobbying Congress to prohibit the Federal Trade Commission from scrutinizing their activities because, they say, they are already "closely regulated" by the states. Now, we hold no illusions about FTC regulation, which almost always reduces consumer choices and increases business costs. But anyone who falls for the AMA's argument is simply naive. The FTC is investigating the professional organizations precisely *because* state regulation has turned them into protected cartels. Only government sanction for their entry restrictions allows these organizations to exercise power.

What is really needed, however, is not FTC regulation to undo the effects of state regulation, but simply the removal of the state regulation that prevents people from freely entering the professions and competing for customers.

■ **ONE PERNICIOUS EFFECT OF THE REA-** gan/Dole tax increase bill that few people have noticed concerns taxpayers' returns: The bill guts many of the protections of confidentiality. The standards for disclosure have been loosened, and the number of people eligible to look at returns increased. It took years to enact even limited taxpayer safeguards, and just weeks to tear them down.

■ **THERE ARE TIMES WHEN WE WONDER** whether we really can afford all the "protection" that the government gives us. For example, Francis M. Mullen, Jr., the acting head of the Drug Enforcement Administration, was recently extolling his agency's increased efforts to crack down on drugs. "One measure of success," he happily confided, "is the number of drug-related wiretaps. In the first six months of 1981, compared with the first six months of 1982, the number of drug-related wiretaps has gone up 242 percent."

How nice. We're waiting to hear similar statistics on strip searches, entrapments, informants, surveillance, and whatever other invasions of our civil liberties Mr. Mullen and his agency are promoting. Just think, if former New York Governor Nelson Rockefeller had gotten his way, Mr. Mullen could also be telling us how much drug-related executions had increased during the past year.

■ **WITH ALL THE HAND WRINGING BY** government officials over the size of the federal deficit, and the amount of "off-budget" spending, we're constantly amazed at the unwillingness of the White House and the Congress to go after the big ticket, big-business welfare programs. As a start, we suggest that the bipartisan majority that enthusiastically voted to raise our taxes just as enthusiastically vote to abolish the Synthetic Fuels Corporation (SFC) and save the taxpayers some $14.9 billion.

This program didn't even make sense when Congress approved it back during the constant "energy crisis" of 1979: It channeled money away from economic energy investments in oil, natural gas, and alternative fuels into politically favored investments in uneconomic synthetic-fuels processes. The fuels expected to be produced will never be cost-competitive, and taxpayers will be left holding the bag for multi-billion-dollar white elephants. But as bad as the program was then, it makes even less sense now, when oil prices have fallen, and synfuels projects—here and abroad—have been collapsing, despite government subsidies.

However, we're not going to hold our breath until they close down the SFC, because this is one program where corporate-state Democrats and big-business Republicans join hands: taking the taxpayers' money and subsidizing business to manipulate the economy. Even Ronald Reagan, who once referred to the synfuels program as "energy fascism," has become a supporter, approving $3.6 billion in government support for three different projects last year, and protecting the SFC from David Stockman's scalpel since then. So much for his concern over federal spending.

■ **TO OUR READERS: THIS ISSUE OF** *INQUIRY* marks the beginning of our sixth year of examining issues that affect our individual liberties. We extend our thanks to you, our readers, for your past support and hope that you'll be with us in the years ahead.

We also take this opportunity to offer a farewell salute to Jonathan Marshall, our peerless associate editor, who was with us for more than four of our five years, and who is now an editorial writer for a major West Coast newspaper. Jonathan's full-time presence will be sorely missed, but he has joined the ranks of our contributing editors, and we'll be hearing from him often in the future. We welcome as our new associate editor another veteran of the news and commentary business, Sheldon L. Richman, whose writing has graced these pages many times in the past and who has most recently been associated with the Council for a Competitive Economy here in Washington. ▣

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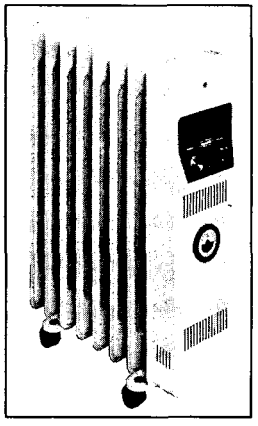
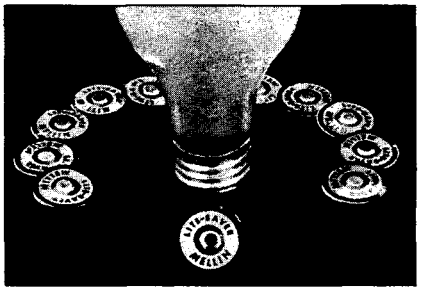
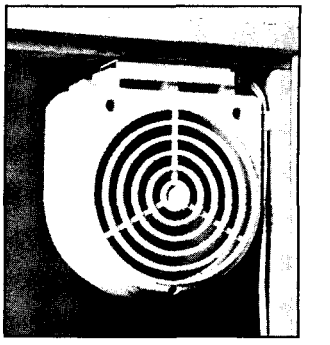


Lite Savers



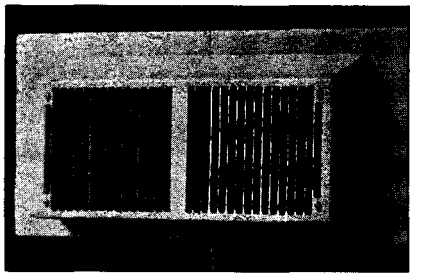
If you're tired of climbing ladders and getting into precarious (often dangerous) positions to change an out of the way light bulb then you should know about Mellin Lite-Savers. Adhered to the base of any *one way* bulb the Lite-Savers can extend bulb life from 50 to 100 times! Just think of the money saved in light bulbs! Most bulbs have a rated life of 750 hours or 32 days if used continuously. With Lite-Savers your bulbs will burn up to 75,000 hours or about eight years if used 24 hours a day. They're ideal for hallways, staircases, or anyplace where replacing light bulbs is a time consuming nuisance. You'll notice that Lite-Savers reduce light output so you may want to increase bulb wattage. They're safe, dependable and install quickly and easily with any one way bulb. The manufacturer offers a limited eight year warranty. We offer the Lite-Savers in a package of 12 for **$27.00**($2.95)#A549 or 24 for **$49.00**($3.95) #A642.

Fan For All Seasons



Have you ever noticed how one room can be chilly while the very next room tends to be warm? You don't have to put up with such discomfort once you've installed the Con-Serv room-to-room temperature balancing fan. This little fan mounts high in the frame of a doorway (it tucks unobtrusively on the outer side so the door can be closed) and directs and balances the air flow. Since warm air tends to rise to the ceiling, it makes good sense to have a fan up there. And since it's reversible you can use it all year-round . . . recirculating the warm air down into the room during the winter months, moving cool air-conditioned air more efficiently in summertime. It can actually help save quite a few dollars on the costs of heating and cooling as you stay comfortable without having to adjust the thermostat. The Con-Serv temperature balancing fan has a 110-volt motor with a 10-foot cord and an in-line switch. It's quite easy to mount and comes with a mounting bracket, screws, clips and complete instructions. It weighs a mere 2 lb. 3 oz. and measures 5½" x 5" x 3½". **$28.00** ($3.95) #A397.

Register Fan And Sealers



Every hot air heating system has at least one or two. Cold spots, that is—places that for some reason never quite get up to temperature. Often it is the rooms furthest from the furnace, an unusually large room, or rooms in a later addition. This booster fan (actually it is two small 4" fans running together) fits right in the register outlet, sucks heat up the duct and pushes it out into the room. A heat sensor in the switch turns the fan on automatically as the heat comes up (there is also a manual control, which means you can use it in the summer to move the cool air off the floor and up into the room). The fan fits all registers up to 6"x14" and plugs into any electrical outlet. It comes with 9' of cord. The register fans cost **$40.00** ($3.95) #A536.

Magnetic Register Sealers prevent loss of warm or cool air through unused outlets. Sealer kits require a ruler and scissors to install initially, after that they can be removed or replaced in a moment. Material for three 6"x14" register covers costs **$12.00** ($1.95) #A539.

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Letters

Pipeline questions

The Yamal pipeline deserves more attention than a few vague paragraphs on its adverse economic effects on the West [Short takes, September].

Many questions ought to be raised and answered before the West commits itself to this venture. For example: How can free Western countries grant additional loans to a country that has not made any attempt to begin payment on its existing $20 billion debt? Also, how can Europeans expect to profit from the pipeline when their tax monies are funneled into subsidies for the pipeline's construction and still pay for the imported gas at estimated high prices? Finally, how reliable is the Soviet Union as a business partner in a free market? Would they separate business from politics?

Timothy Hansen
Boxford, Mass.

THE EDITORS reply: To say that the United States should not impose an embargo does not mean that we necessarily want the pipeline to be built: It simply means that the United States should not interfere. We should let the Europeans answer your questions, since they are the ones paying for the pipeline.

Clichéd and outdated

I was surprised to see *INQUIRY* publish Noam Chomsky's guest editorial, "Israel's onslaught" [August]. The article uses clichéd, outdated, and contradictory evidence to prove a simplistic, if not totally incorrect, interpretation of Israel and U.S. policy.

Chomsky begins with the overused accusation that the press is pro-Israel. I more often hear exactly the opposite, that the press is pro-PLO. As Chomsky cites examples to prove his point, so can I. The charge appears to be in the eye of the beholder.

Chomsky asks the rhetorical question about what would the response of the West be if the PLO bombed Israeli towns. This ignores the crucial fact that the PLO positioned itself in the most densely populated areas of Lebanon. It chose to store weapons in areas where the most vulnerable civilians lived or frequented. It also ignores the simple fact that almost every Western leader, including Reagan, openly condemned Israel.

Chomsky then reaches back into history to find some flagrant statements made by former Israeli leaders. If he wants to throw around flagrant statements, it must be pointed out that the PLO has continued to reaffirm its manifesto which declares that the PLO is committed "to liquidate the Zionist entity, politically, economically, militarily, culturally, ideologically."

In contrast, Chomsky cites a statement published by the World Zionist Organization in February 1982 arguing that Israel should keep the Sinai. The statement was published at the time that Israel was returning the final portion of the Sinai to Egypt. To use such statements as evidence of Israel's aggression seems rather absurd.

Finally, does Chomsky forget that on three prior occasions, and on the present occasion, Israel had the military might with which to pursue territorial conquests? Yet on each occasion, she did not.

No doubt, to view Israel as a pure nation is not realistic. It has its faults, which can and should be logically criticized. However, to paint Israel as a wildly militaristic and uncontrollable nation ignores Israel's internal politics, her extensive economic problems, the domestic and economic pressures, and Arab reaction. In sum, what was that article doing in *INQUIRY* magazine?

Frayda Levin
Arlington, Va.

CHOMSKY replies: Frayda Levin rejects the implicit answer to my rhetorical question about the response in the West "if the PLO were to have bombed Israeli towns in 'retaliation' for the death of a guerrilla killed by a land mine in northern Israel, or if PLO gunboats regularly shelled Haifa, or sank Israeli fishing boats off the coast of Tel Aviv." Had the situation been reversed, would the response here have been silence or occasional mild admonitions accompanied by expressions of understanding for the PLO's plight along with diplomatic support and massive military and economic aid? That the PLO positioned itself in densely populated areas (as does the Israeli military command) is irrelevant to this question.

She also objects to my citing "flagrant statements" by former Israeli leaders and quotes a PLO statement, which, incidentally, I described in 1970 as "intolerable to civilized opinion." That the PLO has taken such stands is well known and endlessly reiterated in the West, though not the fact that by the mid-1970s it had explicitly called for a two-state settlement with recognized (pre-June 1967) borders and security guarantees. What I cited is hardly well known: for example, that Labor Party doves (Rabin) called for transfer of the population from the West Bank and Gaza to Jordan, and that the Labor government of the mid-1950s was already planning the operations now being conducted in Lebanon. In fact, the standard position is that hope for a decent settlement lies in the return of the Labor coalition to power.

With regard to the Oded Yinon article that I cited from the official ideological journal of the World Zionist Organization, Ms. Levin has misread. It called for reconquest *of the Sinai (along with the dismemberment of Egypt, Lebanon, Syria, Iraq, and the Arabian peninsula). I wonder whether she would object to citation of a comparable article, if it existed, in an official Egyptian journal. Since I wrote, Yinon's party has entered the government with a cabinet position that includes responsibility for new settlements in the occupied territories. As I wrote in June, the historical record indicates that "one should not lightly disregard" such proposals. I did not, of course, cite the article as "evidence of Israel's aggression." We hardly need search for such evidence.*

Contrary to what Ms. Levin states, when Israel was able to pursue territorial conquests it did so. Israel was expelled by U.S. and Soviet pressure from the Sinai in 1956 and remains in control of territories conquered in 1967. As for the present conquest, the U.S. response will, as usual, be the crucial factor.

Re: rejoycing

Thank you for John Gordon's beautiful account of the Joyce symposium in Dublin [September]. I congratulate you for honoring so well the greatest literary artist our turbulent bloody century has produced.

Robert Boyle
Marquette University
Milwaukee, Wis.

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Politics

Running in the usual direction

THOMAS GALE MOORE

*PRESIDENTIAL CANDI-*dates rarely make it to the White House by campaigning for higher taxes, more government spending, and increased rules and regulations. The political stuff that winning candidates are made of is the promise to do more with less—be it through the "magic" of reorganization Jimmy Carter sold in 1976 or the formula of reduced taxation and stabilized spending Ronald Reagan rode to victory on. Political inertia prevented Carter from getting organized, let alone reorganized, and after a cosmetically successful first year of cutting taxes and rolling back regulations, Reagan embraced one of the biggest tax increases in American history and tidal wave deficits exceeding $150 billion.

Prior to his election, skeptics found Reagan's record as governor far from reassuring, especially since so much of the rhetoric of his gubernatorial campaigns appeared later in his presidential campaign. While in Sacramento, Reagan converted the state income tax into one of the most steeply graduated in the nation, introduced withholding taxes, raised the sales tax, and sharply increased taxes on business. He campaigned for cutting welfare and total spending, but during his two terms welfare spending rose 61 percent and total state spending increased faster than in most other states.

Given Reagan's California track record and his recent tax turnaround, there is reason to question whether his efforts or rhetoric as president will have any long-term effect in reducing the size and scope of government. Other presidents' promises to cut the budget and slow the growth of regulation have been honored mostly in the breach. A comparison of the budget figures of the four Republican administrations against the same figures of the four Democratic administrations of the post–World War II period shows that there is basically only one kind of presidential administration—the growing kind. As the table below (all figures computed in real dollars) shows, presidents of both parties have routinely presided over increased budgets, higher tax rates, and more regulations. Surprisingly, the directions in which the budgets of the two groups ended up growing flouts the conventional wisdom.

The evidence suggests that a voter who wants a "Democratic" policy of lower defense spending and increased nondefense spending should vote Republican. If he yearns for a "Republican" policy of more defense spending and reduced nondefense spending he should cast his ballot for a Democratic president.

Republican presidents increased nondefense spending 60 percent faster than their Democratic counterparts and added to social welfare programs 14 percent more generously than did the "party of the poor and elderly." The biggest nondefense spenders were Eisenhower (during his second term) and Johnson, who pushed up spending 39 and 36 percent. The smallest increases took place under Truman (7 percent) and Carter (10 percent). In the full four-year terms of Nixon and Johnson spending on social welfare programs alone ballooned by over 50 percent. The only "Republican" spender was Carter, who kept the increases for social welfare spending down to a relatively modest 9 percent.

The military buildups for the Korean and Vietnamese wars caused dramatic increases in defense spending under both Truman and Johnson; but even if those years are excluded, the Democrats still increased the national defense budget by an average of 10 percent per term, while the Republicans cut real defense spending by nearly 9 percent.

If lower taxes are a hallmark of Republicanism, the GOP presidents performed true to character. During the shared Nixon/Ford term and in Eisenhower's first term, personal income taxes increased only by 2 and 13 percent, while Truman and Carter

Comparing the Numbers

Aggregate percentage changes, in real numbers, for the four Republican and four Democratic administrations since 1949.

	Democratic administrations	Republican administrations
National defense and international affairs spending	212	-34
Total nondefense spending	88	141
Spending on education, health, and income security	152	174
Taxes collected:		
Personal income tax	99	46
Corporate income tax	120	-22
Increase in pages in the Federal Register	114	167

THOMAS GALE MOORE is a senior fellow at the Hoover Institution at Stanford University.

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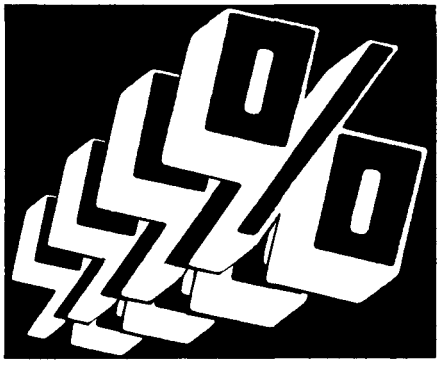
increased the bite by 31 and 28 percent. Meanwhile, corporate taxes declined under all four Republican presidents and increased under all four Democratic presidents.

As the depository of executive rules and regulations, the Federal Register is a crude index of the growth of federal regulation, but it is the best available. The big book of regulations shrunk during only one term—Ike's first. It expanded 46 percent faster under Republican presidents than Democratic ones, and fastest under Carter's and Nixon's first terms, swelling by 53 and 44 percent as they expanded regulatory power. Surprisingly, the Federal Register grew by only 4 percent under Lyndon Johnson.

Except for upholding their tradition of being the low tax party (especially for business), the Republicans have acted much the same as the Democrats when in control of the White House. The country suffered the largest budget deficits under Nixon/Ford (2.2 percent of the GNP) and Carter (2.0 percent). The increase in the consumer price index has not varied much between Republicans and Democrats (72 percent and 68 percent), and the average rate of unemployment has been only slightly higher under the GOP—5.4 percent versus 5.2 percent for the Democrats.

These figures support the cynic's contention that there isn't a dime's worth of difference between the Republicans and Democrats. United by



the ideology of spend and spend, tax and tax, regulate and regulate, borrow and borrow, the records of the Republican and Democratic presidents tend to merge. The free spending and heavy taxing former governor of California truely hit the ground running when he became president, but with budget deficits likely to exceed 2.5 percent of the GNP, and having just imposed a $100 billion tax increase over the next three years, isn't he now running in the usual direction? ■

American Scene

The welfare mystique

JOAN KENNEDY TAYLOR

THE REAGAN ADMINISTRATION'S effort to reduce federal social spending has sparked a debate over the proper role and level of the "social safety net." One aspect of the issue that is receiving increasing attention is the so-called feminization of poverty: the fact, long identified by feminists, that the most visible of the national welfare programs is Aid to Families with Dependent Children (AFDC), with most of these families headed by women.

Last summer two quite different sources took up the issue. Ken Auletta's book, *The Underclass,* has an entire chapter on "Single Mothers: 'The Feminization of Poverty.'" And a long article by Barbara Ehrenreich and Karin Stallard in the tenth-anniversary issue of *Ms.* (July/August 1982), "The Nouveau Poor," uses the same phrase, which originated in an article by Dr. Diana Pearce in 1978. Both sources also quote the same grim sentence from the thirteenth annual report of the president's national advisory council on economic opportunity, issued in September 1981: "All other things being equal, if the proportion of the poor in female-householder families were to continue to increase at the same rate as it did from 1967 to 1978, the poverty population would be composed solely of women and their children before the year 2000."

Of course, no matter how many poor women there are and how fast their number increases, we will never get to the point where there are no poor *men,* whatever extrapolation the figures seem to show. But the fact remains that ever larger numbers of women and their children continue to swell the welfare rolls and, in Ken Auletta's words, "threaten to become, perhaps for the first time in American life, an intergenerational underclass."

JOAN KENNEDY TAYLOR is the publications director of the Manhattan Institute for Policy Research.

The figures are startling and upsetting. While the number of poor families headed by men declined by 25 percent between 1970 and 1977, the number of poor families headed by women increased by 38.7 percent. One-third of all families in the United States headed by a woman are classified as poor, compared to only one-tenth of those headed by men. The *Ms.* article summarizes: "Two out of three adults who fall into the federal definition of poverty are women, and more than half the families defined as poor are maintained by single women." Add to this Auletta's figure, that in some urban ghettos over 70 percent of all the babies born are illegitimate.

Even more alarming than the feminization of poverty is that, in absolute terms, poverty is growing. It is time to consider a relationship that for most people has been unthinkable: government welfare policies are directly acting to create and perpetuate this permanent, intergenerational underclass.

Charles A. Murray, who for seven years was a senior scientist at the American Institute for Research, has presented some compelling arguments for the thesis that "social welfare policy in the last couple of decades has not simply been too costly, but has also been socially unjust." Murray points out that the official number of poor declined in the period 1949-68, from about 33 percent of the population in 1949 to about 12.8 percent in 1968. This decline in poverty was correlated with a growth in the GNP over these years, but seemed to have *no* correlation with the growth or shrinkage of poverty programs. But then the proportion of the poor surprisingly leveled out, fluctuating somewhere between 11 and 13 percent throughout the seventies. In 1980 we had a slightly *higher* percentage of poor people than we had in 1968.

These official figures include income from government transfer payments—that is, even after these have been paid out, between 11 and 13 per-

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cent of the population is poor. The trend remains the same even if this income is not counted: There was a steady decline in poverty until 1968, but then a steady *increase*.

Thus, we had a steady decline in poverty from the end of World War II until 1968, both in the proportion of people who could not provide for themselves without government help and in the proportion of people below the poverty level. Then, as the welfare budget more than doubled in constant dollars between 1970 and 1980, dependency increased. Despite the huge sums of money spent there was no further decrease in absolute poverty. What happened in 1968?

Some people have argued that the increase is related to the deteriorating economy and the lowering of everyone's real income. But Murray goes further, pointing out that the War on Poverty's "big" programs started to take effect in 1968: "For the first time in American history—and I mean literally the first time in American history—it was widely suggested and then acted upon that welfare benefits be extended to working-age people who already held jobs." Across the political spectrum, people viewed this as a measure that was fair and just, perhaps because times were *not* hard—in 1968 unemployment was less than 4 percent. It looked as though a little more help from the government actually might eradicate poverty.

Instead, apparently, the government subsidized it. According to Murray, the new programs were supposed to encourage people to get off welfare by allowing them to earn a little money and still receive aid. "We changed the policy," he says, "for what seemed at the time to be a very commonsensical reason—let's provide some incentive to get off welfare." But, he goes on, "the other half of the equation which was not considered at the time is—it works both ways. You not only have an incentive to get a job, which involves a cost. There is also an incentive from the other direction, whereby if you are working at a low-paying job, there are now advantages to getting on welfare. . . .I think what happened was this—we miscalculated the relative force of the fairly small incentive pushing up. The fairly large incentive turned out to be pushing down."

Murray's recent monograph, *Safety Nets and the Truly Needy: Rethinking the Social Welfare System* (Heritage Foundation, 1982), makes additional points about why the incentives may have exerted downward pressure. There is now *less* incentive to hold on to a full-time, low-paying job while trying to get a better one, because welfare and in-kind benefits allow a person to put together a package of some work and some welfare that seems tolerable for an indefinite period. What Murray calls "short-range rationality" favors doing just that.

Perhaps even worse has been the effect on values. Again for the first time in American history, "it became socially acceptable within the poor community to be unemployed *because the working poor were on welfare too*. Before, the working poor had a way to distinguish themselves from the non-working poor. They were better. They were productive members of the community while the others were not." The understandable desire not to blame poor people for being poor, says Murray, has nearly destroyed the incentive for getting off welfare and getting out of poverty. "By taking away blame, society also took away credit, credit that has been an essential part of the reward structure that has fostered economic mobility in this country."

By itself Murray's analysis doesn't explain why young women with children are particular victims of this policy. Nor does that of Barbara Ehrenreich and Karin Stallard, authors of the *Ms.* examination of the problem. Their figures clearly show a correlation between the feminization of poverty and the growth of government programs, but they don't tackle the analytic problems that this data represent. They seem rather to assume that more of the same will be an adequate response. They recommend government efforts to provide day care, income support, job training, and minimum-wage law enforcement—the standard welfare-establishment, big-government menu.

WHAT IS IT ABOUT OUR approach to welfare that is putting women and children last? Can it be that the consequence of our programs to eradicate poverty is not only more poverty in general, but specifically female poverty? Virtually everyone who has tackled this issue acknowledges that government programs have tended to break up families by making it easier for broken families to receive aid and thus encouraging male heads of households to leave. Conservatives such as George Gilder take this observation even further by claiming that government programs wrongly interfere with traditional male/female roles: that of the man as breadwinner and the woman as dependent and mother.

But his criticism completely misses what has happened in American society. As a whole, our society has been moving away from such traditional male/female economic roles, with a massive movement of women into the workplace; in fact, the *Ms.* article argues that "an estimated 85 percent of American women can expect to have to support themselves (if not themselves and their children) at some time in their lives." Not only are half of the jobs in the country now held by women, but the two-paycheck family seems here to stay. John Cogan, David Henderson, and John Raisian, economists with the Department of Labor, have analyzed annual unemployment figures with this trend in mind. They found that "over the last 50 years a safety net, not created by the government, has emerged. By far the most important safety net in our society is the multiearner family." Because of this trend, the worst effects of unemployment fall on that percentage of the unemployed who are both in poverty and either have no family or are female heads of families—less than 1 percent of the labor force. Most of the unemployed are living in families with employed members.

Can it be that the consequence of our programs to eradicate poverty is not only more poverty in general, but specifically female poverty?

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As women have moved into the work force, the power of what Betty Friedan in 1963 called "the feminine mystique" has radically decreased in American society. Friedan's famous book of that name explored a milieu where women no longer were content with defining themselves solely as wives and mothers, in the absence of other meaningful and productive activity. To the extent that suburban ideals in the 1950s defined masculine success by the ability to keep a woman in comparative idleness (which meant that the work she did at home was devalued) and defined feminine success by the subordination of personal interests to the care of husband and children, a malaise developed, "the problem that has no name." Since then, our society has changed. Women as well as men take it for granted that the ability to support oneself is part of successful maturity, and the mystique which dictated that outside interests devalued home and family is no longer current. In the 1980s women are working in record numbers—and they are telling pollsters that they intend to continue doing so.

Except in the ghetto. While the rest of American society has moved away from the traditional male/female role models, the ghetto apparently has not. Reading the case studies in Ken Auletta's *The Underclass*, one sees young mothers, most of them teenagers, who are almost totally passive. Indeed, passivity is the defining characteristic of welfare mothers that emerges from his portraits. They have drifted through government schools for a while; they may have taken care of younger brothers and sisters; they want something to love. In the words of a nun who works with such mothers, "lots of girls feel that if they get to be eighteen and they don't have a baby, they're not a woman. A baby is something everyone considers something of worth." But instead of marrying a man who will take care of them, they "marry" welfare.

Auletta also quotes a field report by a team of researchers at the City University of New York:

> Many of the girls' mothers' friends had pregnant daughters, so that it was almost expected for their daughters to get pregnant. There seemed to exist a peer group of not only young mothers but also a group of grandmothers who were in their early thirties in the neighborhood. It seemed that the daughters continued having the children that their mothers couldn't have.

A 1978 column by Jimmy Breslin, "Pregnant Thoughts—Out of the Mouths of Babes," describes one woman's struggle to keep her fourteen-year-old daughter from going this route. The woman worked as a legal secretary and lived in a housing project where many of the families were on welfare. Most of the other fourteen- and fifteen-year-olds were becoming pregnant. "Then her daughter began to talk about it openly. 'I want to have a baby,' she said one night. 'Why?' the mother asked. 'I want something of my own,' the daughter said. 'Well, who's going to pay for this? I'm a working woman. You don't get a cent from me.' 'I'll get on welfare when I have the baby and get my own pad,' her daughter said."

Women in the 1950s saw marriage as the way to lives of their own; today a new feminine mystique is alive and well in the ghetto.

Breslin goes on to summarize: "In many places today, the daughters of the poor regard pregnancy as the way to welfare, and welfare as the way to lives of their own." Young women in the 1950s regarded marriage as the way to lives of their own; today a new version of the feminine mystique is alive and well in the ghetto.

OUR PERSPECTIVE ON welfare might change if we considered the relationship between a welfare mother's dependency on government with the kind of dependency the women's movement was talking about in the late sixties and early seventies. Take current discussions of the Reagan budget cuts as an example. A study by the Washington-based Center for the Study of Social Policy in February 1982 criticized the notion that welfare is a "safety net" rather than an income-supplement program. The study concluded that welfare cuts increased the likelihood that those poor who were working while receiving some form of public assistance would stop working and go on welfare full time. In New York State, for example, the analysis showed that a mother of two children earning nearly $4.00 per hour would net $12.00 less per month than if she were not working at all, whereas, before the cuts, she would have earned $166 more per month while working. The inescapable question is: why should she work? Absent the perspective of the women's movement, the implied answer is: she would have no reason to work.

Yet this question can be asked with equal validity of a nonwelfare wife who is entering the job market for the first time, and whose job-related expenditures for clothing and child care leave her with little or no net earnings. Why should *she* work?

The reasons she works are both economic and psychological. She works as a form of job training, to better herself in the expectation that she can use the job to advance to a point where she does have significant net earnings. And psychologically, she works because she feels more productive. She knows that her choice between earning a living or being supported by her husband is not accurately described as a choice between working and not working, for she is doing some sort of work in both instances. But she feels more independent if she is working out of the home, and she probably also feels that both her family and society in general value and respect her work more.

Do the same factors operate in the life of the welfare mother? They could, but often they don't. As Charles Murray's analysis stresses, policies that reward failure in life cannot at the same time reward success. "The central error of existing social welfare policy," Murray argues, "is that it insists on homogenizing the poor. In the rest of society, we continue as always to differentiate the clever from the dull, the virtuous from the criminal, the industrious from the indolent. But when it comes to the poor, all must be victims. They are not permitted to be superior to one another."

Most of the women interviewed by Ken Auletta hated welfare and wanted to get off it, even if they had gone on

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welfare as a matter of course as teenage mothers. Many of them were becoming aware that they had alternatives. But Auletta ends his chapter on the feminization of poverty with a visit to a woman with no sense of alternatives—Jean Madison, thirty-nine-years old and pregnant. She has been bearing children since she was eleven. She considers that she devotes herself to them. Her goal? To have a house on Long Island and eat ice cream. "Maybe one day I'll get it—if the right man comes along and I get married," she concludes. "If not, I'll be right here, waiting."

It's a paradox. Jean Madison seems to represent exactly the sort of "feminine" woman that conservatives honor, but it is hard to imagine contemporary society producing her in the absence of the welfare programs, which conservatives criticize, that have supported her since 1968.

As for the liberals and liberal feminists, if they believe women should be encouraged to be independent, self-confident, and self-supporting, why aren't they raising these issues in connection with welfare? Sharon Presley, in her now-classic article, "Libertarianism and Feminism," stated the case against the liberals:

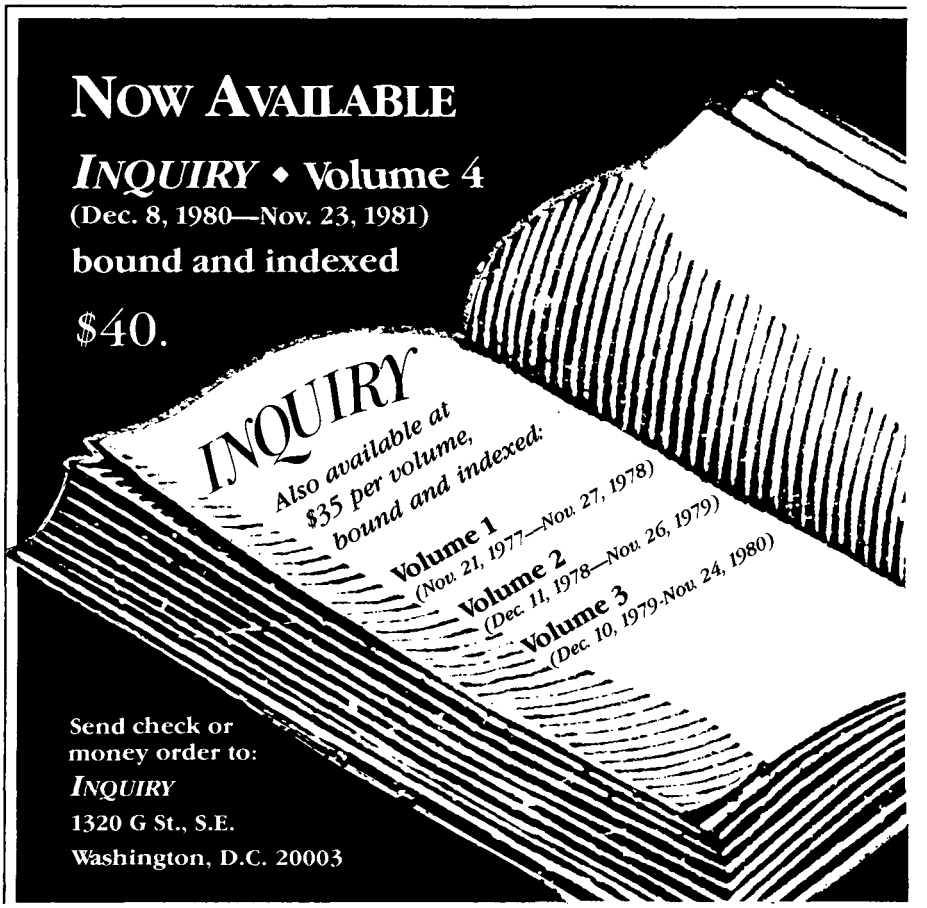
> If a woman said to you, "I want to be free from the domination of men," but turned to a tyrannical husband not only for financial support but for decisions about her own personal and social life, you would undoubtedly consider her inconsistent. Yet that is what many feminists are doing on a political level. They say they want to be free of the domination of men but ask for favors and handouts from a government. . . .

The so-called liberal vision that our policy makers have accepted has at its heart an image of the poor, especially the ghetto poor, as permanent dependents. This in turn has seemed to give plausibility to the "public good" argument for welfare—the argument that individuals would be willing to pay a proportion of their income to care for these dependents only if they knew that all other members of the society were forced to pay a similar proportion. But this argument, as well-entrenched as it is, overlooks the reality of how individuals behave in a free society. No one would argue that since all the infants in the world are a dependent class, therefore, "if the state didn't pay for the nurturing of these children, who would? Surely no individual would want to take on such a responsibility unless assured that everyone else in the society would take on an equal share." The answer to the question, of course, is obvious; we still live in a society in which, despite pressures from government in the opposite direction, individuals do take responsibility for the welfare of others.

Many liberals justify the present big-government approach to social problems, for all its failings, in the name of compassion. But a close look at the programs shows that compassion is exactly what they are devoid of. Government has replaced community and tradition with the impersonal hand of the bureaucrat dispensing laws and regulations. Where people used to be aware of their interdependence, now they assume that it is the government's job alone to take care of people who have problems—and thousands of people, both the elderly and the very young, are literally dying of loneliness as a consequence.

Feminists, in particular, should accept the full implications of welfare as a woman's issue and apply some of the techniques that have resulted in the successes of the women's movement, the techniques of self-help. Small-town, grass-roots consciousness raising in the 1970s was *about* dependency: about the assumptions that women in differing life situations had accepted unquestioningly—that they couldn't or shouldn't make decisions, that they couldn't or shouldn't travel alone, that they weren't smart enough or organized enough to enter the workplace. Why aren't more feminists starting similar consciousness raising in the ghettos? There are already surrogate-mother programs (mostly run by religious groups) for ghetto teenage mothers. Why not augment them with Big Sister-type programs that pair teenage mothers with working women? Surely the women who have organized community day care, feminist health clinics, networks of business women, and support groups for people with every conceivable problem would have valuable ideas for ghetto mothers, too—if they weren't blinded by the assumption that these are things that government *ought* to be doing. That is, if they really understood welfare as a psychological woman's issue.

Rewarded behavior increases, and welfare policies have been artificially rewarding the feminine mystique, long after it has been abandoned as false by the rest of society. The physical act of having a baby is not, in and of itself, a productive activity. It is time to reward something else. ■



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KRAWCZYK

The Collapse of the Reagan

by Doug Bandow

ON THE DAY BEFORE THE TAX INcrease vote last August, I received a phone call from a friend in the White House. She told me that I might not believe it, but in an hour President Reagan was going to hold a joint ceremony in the Rose Garden with House Speaker Tip O'Neill and the rest of the House Democratic leadership to celebrate his tax increase bill. I didn't believe it, but Reagan did hold the ceremony.

DOUG BANDOW, editor of INQUIRY, was a special assistant to the president for policy development from January 1981 to May 1982.

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Ronald Reagan captured the faith of millions who wanted to roll back big government. The betrayal of that faith is detailed by INQUIRY's editor, who accompanied Reagan from the campaign trail to the White House.

Of Revolution

This rejoicing in the largest tax increase in American history made that Wednesday far different from the Wednesday three years before when I joined the Reagan presidential campaign. I was attracted to Reagan because he was challenging the status quo and the conventional wisdom and eloquently speaking of individual freedom. I generally disagreed with his positions on foreign policy and social issues, but those of the other major presidential contenders weren't much different. Unlike the other candidates, however, Reagan was a strong opponent of the draft and draft registration, and his own genuine warmth and genial personality suggested underlying tolerance of social diversity.

Throughout the campaign and the early days of the administration, I felt part of a direct assault on what Reagan in 1964 had first called "an intellectual elite in some far distant capitol." Once in office Reagan appointed as Budget Director David Stockman, who had once attacked the federal government's "coast-to-coast soupline," and as Defense Secretary Caspar Weinberger, a former budget director who had been nicknamed "Cap the Knife." Reagan's proposed budget and tax cuts, though only reducing increases, transformed the political debate. The administration even seized the initiative in dealing with the bureaucracy, causing the *Washington Post* to editorialize that this was "the first administration that has backed up its verbal assaults [on federal employees] with real action."

But Reagan's willingness less than two years later to join with congressmen who have spent their entire careers increasing taxes, spending, and government power to pass the largest tax increase in American history symbolizes the spiritual end of the Reagan Revolution. Indeed, the ease with which he subordinated eighteen years of eloquent rhetoric on reduced taxes to the euphemism of "tax reform" raises the simple but intriguing question: why? Why has the distant intellectual elite of which Ronald Reagan spoke in 1964 continued to influence, if not dominate, policy? Why has the Reagan Revolution become increasingly indistinguishable from the establishment vision?

Perhaps it was inevitable that the original overarching Reagan agenda of reducing the size of government would fade as it conflicted with the inconsistent agendas of increasing military spending and regulating social behavior. Yet I believed the administration would perceive the election mandate as focusing on economic deregulation (two-thirds of those polled said the economy was the most important issue), not a belligerent foreign policy (the "warmonger" issue threatened Reagan throughout the campaign) or increased social regulation (polls indicate that 60 percent of Americans support greater social tolerance).

Thus, I find it particularly disappointing to see Reagan retreating from the area where he had most fervently pledged to cut goverment: the economy. His decision to take back nearly a third of the 1981 tax cut may be just the first in a coming series of tax increases. Administration officials are now making off-the-record comments that further tax increases may be necessary to reduce future deficits.

Additional tax hikes are likely because efforts to control the budget continue to lag. To help pass the August tax increase, the administration supported increased spending for supplemental unemployment benefits. To save Republican congressional seats it has held off reducing dairy price supports, as mandated by Congress, until after the fall election. Reagan has also become "Santa Reagan," dispensing federal grants on the campaign trail and backtracking from his opposition to various spending schemes. Moreover, most of the so-called budget cuts accompanying the tax increase were illusory projections. Of the supposed $280 billion in cuts, $107 billion represented lower interest costs, based on the dubious assumption that reducing the largest deficit in history to what will still be the largest deficit in history (roughly $175 billion to $155 billion, according to the Congressional Budget Office) would sharply cut interest rates. Another $47 billion were in the form of "management initiatives" that the administration could take anyway. Of the remaining cuts, more than two-thirds will need congressional approval in 1983 and 1984—not likely, since barely half of the $27.15 billion in cuts mandated just months ago have been passed.

Instead of twisting arms on behalf of higher taxes, Reagan could have used his persuasive charm and political chips to enforce the reduced spending requirements of the current budget resolution. Or he could have worked to dramatically reduce spending when the budget resolution was adopted earlier this year. Even his September veto of the supplemental appropriation bill was not to impose fiscal restraint: the bill actually approved less spending than Reagan wanted, but allocated roughly $1 billion more to social programs and $2.3 billion less to the military.

Thus, despite some initial success in slowing the rate of growth of social and other nonmilitary spending, Stockman has admitted that the administration has "slowed down the momentum, but it hasn't stopped" excessive budget growth. Federal spending in 1982 will probably hit $740 billion, exceeding what Carter projected in his last budget and taking 24.1 percent of the GNP, its highest level since 1946. Spending in 1983 will approach, if not exceed, Carter's projection of $817 billion (which no doubt would actually have been billions of dollars higher) and will exceed what Reagan originally expected to spend in 1984.

Reagan's deregulation policy is also stagnating. The administration has made admirable progress in reducing budget and personnel levels of regulatory agencies and in the number of new rules being promulgated. However, less than half of the 111 regulatory programs targeted by the administration have even been reviewed, and there has

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been no attempt to change the laws that authorize government meddling. A future administration could sweep away at will most of Reagan's changes.

Moreover, there has been idleness and even backsliding in critical areas. The administration refused to push for natural gas deregulation, failed to push specific changes to the Clean Air Act, and withdrew proposed rule changes giving younger teenagers more freedom to work and easing the burden of complying with Labor Department job-discrimination rules. Reagan's appointee as chairman of the Interstate Commerce Commission, Reese Taylor, Jr., has begun re-regulating the trucking industry [See Michael McMenamin, "The Teamster-ICC Partnership, Unlimited," p. 26].

Restrictions on international trade have also increased. Though Reagan has resisted protectionist pressure in some instances, he imposed "voluntary" quotas on Japanese auto imports, resurrected the sugar quota program, worked to restrict steel and textile imports, and made no effort to repeal the costly ban on the export of Alaskan crude oil.

As for foreign and defense policy, Reagan has resurrected selective service prosecutions and surpassed his most strident campaign rhetoric in "building-up" America's military machine and threatening intervention throughout the world. He has proposed annual military spending increases of $30-40 billion throughout the eighties, more than doubling spending between 1981 and 1987. These increases, which subsidize wealthy allies and dangerously entangle us abroad, more than anything else have torpedoed the goal of restraining federal spending. As former Council of Economic Advisers (CEA) chairman Murray Weidenbaum recently pointed out, the $45 billion increase in defense spending during 1981 and 1982 virtually cancelled the reduction in nondefense spending of $46 billion.

THE COLLAPSE OF REAGAN'S REVolutionary agenda has come as no surprise to those who believe that politicians will be politicians, whether they claim to be conservatives or liberals, Republicans or Democrats. Some people have argued that Reagan really doesn't believe anything but simply reads the script, so to speak. This argument is not without some force. One administration official who worked for Reagan far longer than I did told me he couldn't say for sure that this criticism is wrong, and longtime Reagan aide Mike Deaver has said that Reagan was always a "moderate," despite his rhetoric.

This judgment, however, goes against what I sensed from nearly three years of observing Reagan—close up during the campaign and from afar at the White House. He may be an actor, but everything from his private conversations to his reading material to his instinctive reactions convinces me that he believes in the philosophy he espouses. If Reagan had merely wanted a successful political program, he would have adopted a less extreme script. He would not have been the only presidential candidate in 1980 to suggest eliminating the politically sacrosanct minimum wage or the Davis-Bacon Act, the only Republican to oppose draft registration, and one of only two candidates to oppose the misnamed windfall profits tax. And he would not have questioned virtually every federal program over the years, including the most sacred program of all—compulsory social security.

But the ideological Reagan has been moderated and his presidency neutered by a stultifying combination of factors, no one of which is decisive. The list includes everyday political pressures; the appointment of ideological eunuchs throughout the administration; an insufficient commitment to ideology in the face of other, conflicting goals; an essentially uncritical view of military spending; and a naive view of military bureaucrats.

A triad of private interest groups, congressmen, and the press works to shape not only what is politically possible but also what *appears* to be politically possible, making it difficult for any politician to achieve all that he wants. The intense pressure on Reagan to sacrifice his philosophy in favor of "reality" began during the campaign and intensified when he became president.

For example, at a January 1980 question-and-answer session before the New Hampshire primary Reagan proposed eliminating the minimum wage. The two or three senior aides with whom I was standing were horrified. A later position paper indicated support only for a wage differential for teenagers. That same January Reagan called for repeal of the Davis-Bacon Act, which intentionally prices minorities out of federal construction jobs. But when a labor union consultant was later hired, he overrode the policy staff's objections and drafted a brochure supporting the law.

The perception of political reality also caused Reagan's metamorphosis on the Chrysler bailout and auto import policy. Reagan initially responded "what's wrong with bankruptcy?" when asked about the Chrysler bailout. He sided with adviser Martin Anderson against campaign manager John Sears on this issue during his first campaign trip to Michigan in November 1979. But as the Michigan primary approached, Reagan discovered what was wrong with bankruptcy. By the general election, he embraced the bailout, opining that he had been wrong to originally oppose it. His initial opposition to auto import restrictions also changed as the campaign moved through the Michigan primary and into the November election, when in a speech at a Chrysler plant in Michigan he called for "voluntary limits" on Japanese imports.

Since the election special-interest pressure has caused the administration to backtrack on a number of campaign promises. Reagan has even retracted proposed rule changes to unburden taxpayers and businessmen by the Departments of Labor and Education and declared neutrality in the congressional battle to legislate special pilots' benefits at the behest of the Air Line Pilots Association.

Pressure from private groups has often been reinforced by members of Congress. Reagan wanted the support of Howard Baker (R-Tenn.), the Senate majority leader, so in turn he has supported the Clinch River breeder reactor and the Tennessee-Tombigbee waterway pork barrels. The reluctance of James McClure (R-Ida.), chairman of the Senate Energy Committee, to attack natural gas price controls helped cause Reagan to back off this campaign pledge. As David Stockman put it in the *Atlantic Monthly*, "there are no real conservatives in Congress"; even those who say they are committed to reducing nonmilitary spending really don't mean it.

The influence of the establishment news media is more subtle. Though editorial support for more government spending and regulation, the draft, and military and economic intervention abroad has its effect, more important is the overall level of praise or criticism. White House aides

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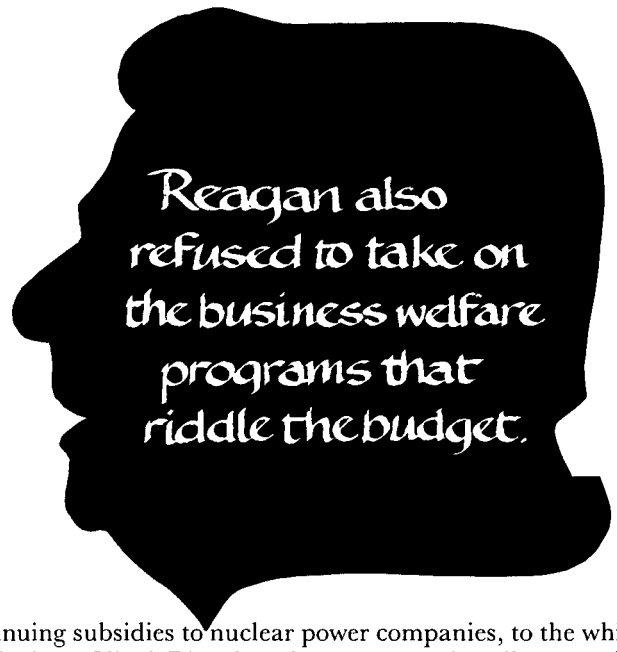
hate the *Washington Post*, but they sit in senior staff meetings and discuss critical editorials and articles; they want the media's approval. And the press knows exactly what to offer: a little praise now and the promise of more later, if . . . if, for example, declares *Time*'s Hugh Sidey, Reagan learns "to live in the middle, where his principles . . . can be hammered and fitted and made to work in the world as it is."

The "world as it is" inevitably restricts the potential of the Reagan Revolution, but the president plays a critical role in shaping that world. When Reagan took office few people, including myself, expected him to be able to get his tax cut passed largely intact. If he had accepted the then-conventional wisdom, he'd have proposed a small, redistributionist tax measure. Instead, he reshaped the political world.



UNFORTUNATELY, REAGAN'S WILL to forge a new consensus on reducing taxes and domestic spending appears to have dissipated after his initial budget victories. His decision to protect the entitlements programs (the "safety net") from meaningful cuts, in conjunction with the increase in military spending and the obligation to finance the national debt, has placed roughly three-fourths of the budget beyond control. Thus, the price of defusing some political opposition has been to abandon the transcendent goal of significantly shrinking the size of the federal government. It would have been risky for Reagan to have questioned the basic concept of entitlements. But unless he is willing to take chances—to risk the credibility of the administration again and again—the present political reality will remain unchanged, and his administration will leave no lasting legacy.

Nowhere could a political legacy be more important than for Reagan to fundamentally restructure the social security system and to avert its imminent bankruptcy [see "Social Security: Why It's Going Bankrupt," *INQUIRY*, October]. He has abandoned the notion of a system with "voluntary features" because it is unsalable. During his first months in office, however, he eliminated the minimum benefit, which is paid irrespective of one's contributions to the system, and reduced some nonretirement benefits. The administration then made a modest, though more comprehensive proposal in May 1981 to reduce or eliminate some of the extended retirement benefits. The political firestorm from fearful retirees and election-conscious congressmen, who will be living on their federal pensions when social security collapses, was immense, and Reagan's staff split over the content of a television speech scheduled to defend the proposal. Pragmatism prevailed, and Reagan dropped his proposal, reinstituted the minimum benefit, and appointed yet another annual task force to study the issue. Earlier this year the administration mounted another effort, proposing to reduce the annual cost-of-living increase. In response to the vehement political protests, the administration backed off yet again. Now Republican National Committee television commercials claim credit for the annual increases.

Reagan also refused to take on the business welfare programs that riddle the budget. After bitter internal opposition, he did recommend cutbacks in funding for the Export-Import Bank but made little effort to defend the cuts in Congress. The administration is also whole-heartedly continuing subsidies to nuclear power companies, to the white elephant Clinch River breeder reactor, and to oil companies to produce synthetic fuels.

Early in 1981 the administration floated rumors of significant cuts in the Synthetic Fuels Corporation but hastily retreated when the Democrats in the House, led by majority leader Jim Wright, rushed to defend this business subsidy. A few months later Reagan approved $3.6 billion in loan guarantees and other assistance for three synfuels projects, and $14.9 billion in unused authority remains untouched despite the continuing budget crisis. President Reagan could have worked to abolish a program he once derided as "energy fascism" and to build a new antispending coalition. Instead, he acquiesced in the status quo and granted immunity to another sacred cow.

The difficulties of the "real world" help cause the second important factor in neutering the Reagan Revolution: Reagan's choice of revolutionary foot soldiers. Lenin chose the Bolshevik hard-core for his revolution. Reagan, in all too many cases, peopled his administration with Nixon/Ford retreads and perennial Republican camp followers.

This perhaps is not surprising, considering the "what do we do now?" syndrome which, according to former aide Lyn Nofziger, first hit Reagan in 1966 when he was elected governor of California. Appointing pragmatists who do know what to do has helped solve that problem. In general they haven't engaged in overt ideological sabotage but have done what they think is "right" for the country and their political patron. Unfortunately, what they view as right is to implement policy that conforms to but does not challenge political pressures and entrenched interests. As Jim Baker told one reporter, "I'm simply adjusting [Reagan's principles] to realities."

The most important impact of these pragmatic "nonbelievers" has been to distort Reagan's perception of political reality. With the departure of domestic policy adviser Martin Anderson (for whom I worked) and political affairs chief Lyn Nofziger, among others, the main link between Reagan's ideological presidential campaigns and his presidency has been severed. At the top the administration is virtually barren of those who helped shape Reagan's philosophical development and program. Reagan is now surrounded by people who believe that major change is both impossible and undesirable. As Reagan is forced to look ever harder to find, in one White House aide's words,

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"somebody on his senior staff who believes in his program," his enthusiasm for that program wanes, and he increasingly retreats from the riskier challenges to the conventional wisdom.

The role of ideological eunuchs is strengthened because of Reagan's sensitivity to the unfair but persistent charge that he is shallow. His response is to surround himself with "qualified people," whose credentials give further credence to their standard pitch of "we know what you said during the campaign, but we can see that things are different from what you thought. . . ." As a result, Reagan has reversed clear campaign stands on issues ranging from draft registration to withholding taxes on interest and dividends. When asked about the latter flip-flop, Reagan referred to "the information available that you have when you're in this job. . . ." Of course, there really is no new information, but now it is Reagan's own experts who are convincing him to deny his gut instincts.

Where Reagan is not directly making the decisions—and most decisions never reach any president—the impact of pragmatists is even greater. Government officials at all levels have enormous discretion to approve or revise rules, phrase testimony, and take positions in interagency groups. For instance, last year Agriculture Secretary John Block, under pressure from the almond grower's lobby, signed a marketing order for almonds before those of us on the domestic policy staff could intervene. Attorney General William French Smith once testified in favor of repressive measures to try to stop immigration, without first clearing his testimony with the White House. But once done, such actions became established policy.

INDEED, THE WHITE HOUSE OFTEN finds itself busier fighting its own appointees than its theoretical opponents. A proposal, supported by Anderson and the CEA, to allow the export of Alaskan crude oil was buried after being resisted at all levels, from Transportation Department staffers to cabinet Secretaries James Edwards and James Watt. Dismantling the Department of Energy became a bureaucratic joke because no one outside the White House supported doing so. The Department of Energy opposed the proposal, and the Departments of Commerce and Interior wanted to carve up Energy but keep the pieces. A complicated bureaucracy—including a White House policy team, a steering group, working group coordinators, and a half dozen working groups—was created to oversee the tortuous process, and the result was still just an organizational shell game.

The problem is aggravated by the influence of careerists. Since these people are permanent, with an "institutional memory" and good access to information, they can be very effective in blocking change. Where they are actually supported by political appointees, they can make policy. At the State Department, for instance, Alexander Haig built a strong personal empire through careerists as well as political appointees who thought and acted like careerists.

This explained why the decision making process for the Law of the Sea Treaty was nearly impassable. State Department bureaus often withheld approval of reports and memos and attempted to water-down policy and delay decisions. Only the direct intervention of presidential Counsellor Ed Meese eventually led to the correct but politically difficult decision to discard the treaty.

The ubiquity of the ideological eunuchs has also fostered internal staff conflict. Though infighting among people at the apex of political power is inevitable, the conflict is exacerbated by the lack of an overriding ideology to unite the Reagan staff. Without a shared philosophical commitment, governing is often a simple grab for power and influence. Since the more ideological officials tend to possess both less Washington experience and more personal loyalty to Reagan, the battle is unequal. Chief of Staff Jim Baker and his aides, nonideologues to a man, have grabbed operational control of the White House and, with that, effective control over policy making as well, through such vehicles as the legislative strategy group. They have carried out a not-so-subtle campaign against Ed Meese and other longtime policy aides, such as Martin Anderson and Anderson's former deputy, Ed Gray. I watched as these targets were attacked daily by unnamed White House sources—"snipers in the dark," as one of my White House colleagues called them. This tactic succeeded admirably in undercutting people who rarely, if ever, replied in kind or leaked information favorable about themselves.

Of course, Reagan could fire some of the politicos or at least throw them out of the Oval Office the next time they suggest, say, raising taxes. He doesn't and won't, I believe, in part because of his pronounced reluctance to resolve personnel problems. But more important, implementing his philosophy, no matter how much he believes in it, is not necessarily his first priority. Reporter Bill Boyarsky has written that Reagan "inherited [a] brashness and the love of making the speech for a cause. Sometimes the speech was more important than the cause. . . ." I doubt Reagan believes making speeches is more important than "the cause," but I suspect he thinks other goals are. As David Stockman relates in one instance in the *Atlantic Monthly* article, Reagan wants "to win." This goal was most obvious, of course, when campaign stands were watered down between the primaries and the general election.

Thus, Reagan appoints and promotes people who can help him win. *Business Week* recently predicted the continued rise of one of Jim Baker's aides "within a Reagan White House that values lobbying prowess far more than ideological purity." As the influence of such aides increases, policy will be increasingly tailored to guarantee a "victory" either in Congress or with special interest groups.

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There is nothing wrong with wanting to win, nor is compromise necessarily bad if it advances principled goals. But the desire to win in a broader sense—to have a winning record, to appear successful, to gain plaudits from the pundits, to secure one's place in history, and so on—obscures what should be, at least in terms of Reagan's rhetoric, the more important, long-term goal of changing the nation's direction by shrinking government. For example, Reagan's refusal to attack the synfuels subsidy boondoggle probably earned some temporary good will from House Democrats but lost the opportunity to build a new budget-cutting coalition. Refusing to support natural gas decontrol avoided an issue that may have been a political loser, thus helping to protect the presidential won/loss record. But the retreat also choked off the public debate on policy and philosophy fomented by presidential initiatives. It is such debate that often leads to significant shifts in public attitudes.

In focusing on short-term victory, the Reagan administration has lost sight of the long-term goal of a philosophical revolution and seems doomed to represent moderate corporate Republicanism. History may judge Reagan better because of it—after all, the August tax increase was a signal legislative achievement—and pundits may admire his high won/loss record with Congress, but a lasting philosophical legacy will elude him.

IRONICALLY, REAGAN HAS STOOD FIRM in one area despite all logic and political pressure—military spending. This "bullheadedness," to borrow a term Reagan threw at the opponents of his tax increase, is partly the result of his mistaken world view, typical of conservatives, which emphasizes world-wide American military intervention and focuses almost exclusively on the Soviet Union. But Reagan goes a step further. He believes that throwing money at defense problems will solve them, and that military bureaucrats have only the "public interest" at stake.

The administration is burying the military in money despite, in Stockman's words, the "swamp" of waste and the expensive and debilitating interservice rivalries. Reagan is increasing real defense spending by 8 percent a year even though, as former CEA chairman Weidenbaum noted, "these crash efforts rarely increase national security," and they impose a very real cost on the rest of the economy. A decade ago, when he was Nixon's budget director, Caspar Weinberger said "the defense budget, in short, must be seen not only in terms of what we must defend against but what we have to defend. The more we take from the common wealth for its defense the smaller it becomes." Reagan, as well as Weinberger, has lost sight of this truism.

Reagan views members of the military establishment as objective patriots committed to America's defense, not as the turf-grabbing, gut-fighting bureaucrats they are. His special feeling for the military was obvious even during the campaign, when he genuinely choked up while telling patriotic and heroic anecdotes. Military leaders are patriotic, of course, as are the bureaucrats from HUD, HHS, and EPA, but all have their own personal and organizational agendas. Even the hawkish New Right Congressman Newt Gingrich (R-Ga.) has admitted that "the Pentagon is the largest, most sophisticated bureaucracy in Washington." Reagan's illusion that wearing uniforms magically transmutes bureaucratic behavior into something noble would be quickly dispelled by attending some of the meetings at the Pentagon that I did, where the different service representatives seem best prepared to fight each other.

Reagan's trust in military bureaucrats helps explain his decision to keep draft registration, even though he once said it "destroys the very values that our society is committed to defending." Once in office, Reagan wasn't dealing with mere campaign advisers. Instead, he was hearing from the men in uniform—the Joint Chiefs of Staff, for example—who made an extraordinary direct appeal to keep registration.

His acceptance of their arguments despite the facts testifies to their influence over him. The decision to retain registration was justified on the basis of a new study that showed registration would save six to eight weeks in mobilizing for an attack. This was a ludicrous claim; the selective service system had not argued registration would save that much, and there were a variety of time-saving steps that could be implemented without peacetime registration. Saving eight weeks would mean that the selective service system would require a week longer to induct people than it did in World War II and only four days fewer than in World War I, notwithstanding decades of improvements in communication, data processing, and transportation technology. In any case, saving time is irrelevant; registration is unnecessary because the training camps would likely be filled by volunteers, as they were in past national crises.

The demise of the Reagan Revolution provided me with a depressing civics lesson. Despite the election of an ideological president theoretically committed to reducing the power of government, the ferment of change is gone. Real progress was made in some areas—oil price decontrol, tax rate reductions, slowing government spending growth, and so on—but it came in the first heady months of the administration. The Reagan blitzkrieg is gone; a Reagan sitzkrieg remains.

Perhaps the greatest loss is the opportunity to change the long-term attitudes and assumptions of Americans toward the size and role of government. Reagan's domestic program, even in the early months of his administration, was never as revolutionary as it was perceived to be. Yet this perception should have been turned into a strength upon which to build a new constituency for reduced government intervention in peoples' economic affairs, rather than a weakness from which to shrink in pragmatic fear. Apparently Reagan was not listening to Vice-President George Bush, of all people, who said a year ago:

> This opportunity [to forge a new relationship between the government and the people] does not come often, and will not come soon again if we blow it this time. The movement toward statism and despotism may be inexorable, but its success is by no means inevitable. For the time being, it has been checked.

But that was last year's rhetoric. The internal contradictions of conservatism—the belief in relative economic freedom but not social freedom, in domestic restraint but foreign intervention—would have made it difficult for Reagan to check the movement "toward statism and despotism" even were he fully committed to doing so. But his unwillingness continually to challenge the conventional political wisdom, appoint fewer pragmatists, be more committed to achieving long-term domestic success, and to adopt a more realistic attitude toward the military establishment dooms his chance even to check it. ■

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WHY WE ARE IN GUATEMALA

"I'm fighting the North American's war, do you know that? We are part of the defensive shell of the United States. The United States must defend itself outside its borders, not inside. That's why [U.S. aid to fight Guatemala's rebels] is for the benefit of the U.S., not for us."

General Efraín Rios Montt, Guatemala's de facto president.

GUATEMALA CITY

—*FOUR* hundred years ago, when the king of Spain brought Central America under his control, he established his viceroyalty here to enforce his rule over what is now Honduras, El Salvador, Nicaragua, and Costa Rica. Before him, Guatemala was the capital of the Mayan empire, the most advanced Indian culture in North and South America, with an Indian population anthropologists estimate at 3 million. The king's rule faded; the Indians have remained and now number some 5 million within Guatemala's modern borders.

The imperial lesson of the Mayans and the Spaniards has not gone unlearned by those vying for control of this region. Guatemala remains the keystone to Central American empire building, and, whether expressed in anticommunist or domino-theory rhetoric, the Reagan administration knows it. Even as the news media have focused on the fighting in El Salvador and the already installed revolutionary government in Nicaragua, leaders in Washington and Guatemala City have as unobtrusively as possible geared up to fight for control of the top of the Central American arch joining the North and South American continents.

"When the Reagan administration came in, it very early framed its focus on Guatemala and the growing insurgency there," a high ranking U.S. official said in an interview. Roving envoy Vernon Walters, a retired brigadier general and former deputy director of the CIA, made the first overture—trying out the administration's "quiet diplomacy" in a May 1981 visit to the military government of General Romeo Lucas Garcia, whose death squads and torture centers had led to a ban on all U.S. military aid in 1977.

The purpose of Walters's trip and other official contacts was to change the U.S.-Guatemalan relationship from one "frozen" by the Carter-era ban to one of "political confidence" in which the Guatemalans could look on the United States as a trusted ally in the fight against insurgents in Central America. But the overtures were a failure. Guatemala refused to make the improvement in human rights that would have allowed U.S. aid to be resumed.

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by John Dinges

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Stopgap supplies of uniforms, weapons, and ammunition were secured from Israel instead of the United States because of the continuing ban. But the Israeli aid was only a holding action, insufficient to block for long the tide of rebellion by seasoned guerrillas fighting with mounting Indian support in advantageous terrain.

Over the last nine months the stage has been set for an all-out war, with increasing U.S. involvement. On the guerrilla side, four often feuding groups comprising an estimated 3500 peasant and Indian fighters have coalesced since February into a single organization called the National Revolutionary Unity of Guatemala. A political front of nonguerrilla opposition forces is in the making.

The corrupt military government of Guatemala was overturned in a coup by arguably reform-minded officers and came under the leadership of a charismatic general, Efrain Rios Montt, who combined the fervor of his American-style fundamentalist faith with his long experience as a specialist in counterinsurgency warfare. He campaigned against corruption, promised to respect human rights, and launched an offensive to win the war against the guerrillas by December.

For the U.S. government, the coup provided the opportunity for a gambit such as that used earlier in El Salvador: At the first evidence of reform and pledges to crack down on extremes of right and left, the Rios Montt government was christened moderate and deserving of support.

In recent weeks, according to congressional testimony and interviews with U.S. officials, the administration has vastly swelled the flow of financial aid and requested congressional approval for the first military aid in five years: $5 to $6 million in spare parts for heavy counterinsurgency equipment such as "Huey" combat helicopters, and funds to train Guatemalan soldiers in the United States and Panama. The aid levels are far below present aid to El Salvador—now over $300 million a year—but are about the same as the first year the United States embraced El Salvador in its fight against the leftist opposition.

"We are moving prudently to meet some of Guatemala's more pressing needs," a U.S. official said. "It is our view that there has been meaningful change and we should be trying to encourage a continuation of that improvement. . . . It is made clear to Guatemala that continued improvement is needed for us to continue to put content into that relationship."

The level of bloodshed is escalating. Since July between 400 and 500 people have been killed each month, according to government reports and other sources. Some is in combat. Most is in army sweeps against Indian villages suspected of supporting the guerrillas. Human-rights violations here are measured in village massacres: dozens month after month.

It is an impending war that has the quagmire potential of Vietnam, the religious persecution possibilities associated with the Spanish Inquisition, and, most ominously, the racial-ethnic explosiveness of a South Africa.

THOUGH GUATEMALA IS A FERTILE COUNtry most of its people are miserably poor; many suffer from malnutrition. Like much of Latin America, Guatemala suffers from centuries-long inequities in the distribution of land. At first, the Indians lost title to much of the most fertile land and were obliged to work as serf-like laborers on large landholdings. Later, with the advent of the cash crops of coffee and sugar, production of staple crops such as corn and beans fell below subsistence levels for the Indians.

The Mayan tribes from which the Guatemalan Indian communities descended fought long and hard against the Spanish conquerers. After their defeat they avoided assimilation, and in the northwest they have preserved a nearly pristine Indian identity in the isolated communities perched on hundreds of tillable mesas separated by vast gorges among the mountains. Their exact numbers are hard to figure, but most analysts say the Indians comprise 60 percent of the total population—and from 90 to 100 percent in these highlands where most of the present fighting rages.

General Rios Montt, in an interview, pointed to the political exclusion of the Indians: "We [non-Indians] have been living with our backs to the 6 million Indians in Guatemala. We are only about 1 million with an interesting level of education and standard of living. The subversion has its roots in the indifference that all our governments have had toward the people."

By focusing his government's counterinsurgency efforts on the Indians and on a so-called beans and guns strategy of food aid, civic action and militarization of the countryside, Rios Montt is the first Guatemalan ruler to acknowledge the fundamentally ethnic and racial nature of the rebellion. "In order to alleviate the situation in the capital [which is predominantly non-Indian], we have to improve the situation in the countryside so they will stay there. Otherwise they will continue coming here. . . . We are going to them with an attitude of fraternal recognition. No longer is it that Indian, who is my slave, my servant. But rather it is that Indian from whom I have come," Rios Montt said.

The roots of the present rebellion, however, can also be found in the Guatemalan army itself. Reformist officers staged a coup in 1944 and called elections that installed a respected teacher, Juan Jose Arevalo, as president. For ten years he and his successor, Colonel Jacobo Arbenz, carried out a social reform program inspired by the New Deal. The program included mild land reform, protection of labor unions, and promulgation of the right to strike. But it also resulted in the expropriation of hundreds of thousands of acres of underused land owned by United Fruit Company and greatly increased taxation of the company's operations. Arbenz was overthrown in 1954 in a military rebellion carried out with the help of the U.S. ambassador and the CIA, according to widely accepted historical accounts.

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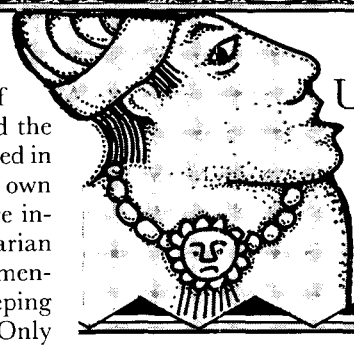

U.S. counterinsurgency theories were tested in Guatemala and Vietnam in the 1960s.

Foreshadowing later U.S. statements on Central America, the State Department claimed evidence of Communist Party domination of Arbenz and justified the coup on the grounds that "communist arms" had arrived in a Czechoslovak ship after the United States cut off its own arms shipments to Guatemala. The communists were indeed supporters of Arbenz, openly staffing his agrarian reform program and encouraging peaceful, "parliamentary" tactics to consolidate the revolution, all in keeping with Moscow's line for Latin America at the time. Only after they were forced underground did the Workers Party of Guatemala (PTG), as the communists were called, move toward a strategy of armed revolution.

In 1962, partly inspired by the success of the Cuban revolution and reacting to the dismantling of Arbenz's reforms by the rightist military government installed by the 1954 coup, a group of army officers lead by Luis Turcio Lima went to the mountains to form a peasant guerrilla army called the Rebel Armed Forces. Thus began the pattern of insurgency-counterinsurgency that has dominated Guatemala to the present. Turcio Lima was killed and the guerrilla movement scattered, but the melding of guerrilla warfare with political opposition became an established fact of Guatemalan life.

Guatemala along with Vietnam was the testing ground for U.S. counterinsurgency training and theories. Little noticed by the American public, U.S. Army Green Berets were here in force in the 1960s. They complemented the massive arms shipments and the Agency for International Development programs focusing on building an infrastructure of communication and transportation to support the government's military effort.

At first the program appeared to have worked. By 1972 the guerrilla groups inspired in Turcio Lima's rebellion had slipped into quiescence. But the cost of the apparent government victory was enormous in both human and political terms. According to one account of the Arbenz overthrow and its aftermath (*Bitter Fruit,* by Stephen Schlesinger and Stephen Kinzer), the deterioration of human rights in Guatemala—random killings of dissidents followed by systematic use of death squads and torture—coincided with the introduction of U.S. counterinsurgency training.

The counterinsurgency program strengthened the most extreme elements in the army and cemented its control of the political process by imposing its candidates on the national elections held every four years. Shut out from access to effective power and later openly persecuted, the moderate centrist and center-leftist parties withered. Political activity was eventually restricted to the Ladinos (those of Indian-European descent) and the aristocratic minority of whites. Over the years the army transformed itself from the protector of the huge landowners and the business sector to a majority participant in the economy. Gigantic public works projects—a highway penetrating the northern jungle, hydroelectric dams, a new port—funneled millions of dollars of public money into the pockets of the generals.

During the 1960s the guerrilla leaders, like those in control of much of the government, were almost exclusively Ladino. Mirroring the regular army, Indians were largely relegated to the role of foot soldiers in guerrilla forces. In keeping with the leftist theory that racial differences are subsumed in the overriding reality of class struggle, ethnic leadership was viewed as unnecessary. The Indians remained aloof, especially in the northwest mountains, as the guerrillas sputtered and faltered in the coffee plantations and banana lands of the western lowlands. After a decade-long battle and a total death toll above 20,000, the faction-ridden guerrilla movement tacitly acknowledged its defeat.

In the 1970s a new organization was set up to involve Indians in the guerrilla war. The Revolutionary Organization of People in Arms (ORPA) was cleaved off the Rebel Armed Forces and directed its efforts to the Mayan mountain heartland of Quezaltenango, San Marcos, and Solola. ORPA remained clandestine for eight years, a member said in an interview, organizing at the grass-roots to sustain future guerrilla fighting. Another group, the Guerrilla Army of the Poor, based itself in the Indian areas of the northern provinces of Huehuetenango and Quiche. The communist PTG continued active military and clandestine trade-union organization, despite factional splits over its relationship with Moscow.

Then, in 1979, coinciding with the victory of the Sandinistas in Nicaragua and with the upsurge of rebellion in El Salvador, the fighting began again in Guatemala. The new battleground was not the large plantations of the lowlands, but the jungles of Peten, the newly settled areas of the Mexican-Guatemalan border, and most intensely in the ancestral Mayan imperial center in the provinces of Huehuetenango, Quezaltenango, Solola, and Quiche.

Although the battles were fought with none of the fanfare of neighboring El Salvador, the guerrillas had unchallenged control of vast northern portions of the provinces. The guerrillas lacked the first-rate weapons and equipment of the Salvadoran guerrilla forces. But the Guatemalan army—despite its reputation as Central America's toughest troops—also was strapped for equipment, especially helicopters, trucks, radio gear, and fighter planes.

In February of this year the guerrillas united in a common front and proclaimed a non-Marxist program for social reform and respect for ethnic rights of Indians. Their leaders thought they might be nearing victory.

Their greatest asset, a political opposition leader said, was the bankruptcy of the existing government of Lucas Garcia, which had alienated even conservative business-

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men due to its rampant corruption and failure to patch up relations with the United States. "We thought we had him in the Somoza condition," the opposition leader said—referring to the corruption and erosion of support that defeated Nicaraguan dictator Anastasio Somoza. Elections held in early March deepened the isolation of the military government. Even the conservative parties denounced the victory of the military-backed candidate as one more in the series of frauds that had kept the government in military hands for more than twenty years.

On March 23, an uneasy coalition of young army officers, some with populist ideas, and key generals overthrew Lucas Garcia and installed Rios Montt. To a watching world, and especially the Reagan administration, Rios Montt had some democratic credentials. In 1974 he had run for president on the Christian Democratic ticket and won, but his election was nullified by the army. His leadership breathed new life into the army's faltering offensive against the guerrillas.

THE WAR FOR GUATEMALA FIRST BECOMES visible a few miles north of the former tourist paradise of Lake Atitlan, on the road to the capital of Quiche, Santa Cruz, where the Guatemalan army last year established a bridgehead in formerly guerrilla-held territory. At a bend in the road, travelers find themselves driving straight toward the sandbags and guns of an Army bunker. Every few miles there is a burned-out farmhouse. The road, once a smooth blacktop leading through tourist country, is riddled with trenches dug by guerrillas and filled in by the army in their ongoing game of cat and mouse. The army has cut down most of the tall hardwoods that once lined the road, to protect against ambush. A nine-month-old army base for 3000 soldiers commands the outskirts of Santa Cruz. Beyond to the north, the soldiers say, travel is by military convoy or helicopter only.

A new offensive had just begun, I was told during a visit in July. Its goal was set by President Rios Montt, who said he would "defeat the guerrillas by December, with or without U.S. aid." In Quiche, where the Army commanders volunteered a helicopter tour of an otherwise inaccessible area, and in the neighboring province of the Huehuetenango, I compiled dramatically contradictory versions of how the war is being fought. As described by the government, the army is attempting to deny the guerrillas Indian support by establishing forward bases in the northwest. From the bases, the Guatemalan troops establish small firebases and penetrate guerrilla-controlled territory with relatively small, highly mobile units. They claim they have had no U.S. training since the aid cut-off of 1977, but their tactics are exactly those U.S. advisers are currently urging on the Salvadoran army. (In El Salvador two years of large-unit onslaughts against guerrilla areas involving 3000 troops or more with heavy artillery and bomber support have been largely ineffective.)

A crucial element in the new strategy is the creation of civil defense patrols in the larger villages, often armed only with sticks or vintage carbines. "The patrols tell us when the guerrillas are around, then we go and get them," said Captain Mario Lopez, an officer at the Santa Cruz base. Rios Montt said the strategy is intended to give "security" to the Indians so that they will switch allegiance from the guerrillas to the government. Encouragement comes not only from civil patrols but also the highway-building projects that pay workers in wages and food—hence the name "beans and guns."

Whatever abuses were committed by the army in the past (and no one on the Guatemalan government's side admitted to any), the Guatemalan officials contend that since Rios Montt's rise to power all massacres and indiscriminate killings without exception have been committed by the guerrillas. New press censorship rules ensure that the army version of fighting is the only one printed. A new code of military conduct, printed on convenient cards, has been distributed to soldiers, according to U.S. embassy and State Department officials. The card contains instructions such as "do not flirt" and "do not take even so much as a pin from the civilian population."

One U.S. embassy official sent a cable back to Washington, relating that his Guatemalan government contacts "explained that the government of Guatemala is intent on winning the hearts and minds of the people and is dead serious on making the new code of conduct a step in that direction."

Religion has played a prominent role in the government's plans. Rios Montt is not the first non-Catholic to hold a Latin American presidency, but he is the first to be a member of one of the conservative, fundamentalist religions that have made inroads among the poor in recent years.

During a helicopter visit to the northern Quiche village of Cunen on a Sunday morning, three reporters witnessed a religious-military rally on the local soccer field. The local Assembly of God weekend preacher declared the identification of love of God with unquestioning obedience to government authorities. The preacher, in a scene some observers said has been repeated in other parts of Guatemala, acted as a recruiter, encouraging the Indians to join the government civil guard. He was followed by Captain Lopez, who proclaimed the union of the army, religion, and the "authorities of the state." In a later conversation Lopez spoke in anti-Catholic terms: "The priests are the ones who put these ideas [of revolution] in the peoples' heads. They participated in the subversion."

From the time of the Conquest the Catholic Church has been identified with the ruling aristocracy, but in the last fifteen years the Church has worked at the village-priest level to organize the peasants for radical social change. The Catholics' version of how the war is being waged differs from the government's account. Since 1979 thirteen Catholic priests have been murdered. In response to the persecutions, the Catholic bishop of Quiche last year ordered all his priests except one to pull out of the province.

The Catholic teachers, priests, and church workers provide a window to the other view of the war. Of the dozen interviewed, stationed in Huehuetenango or Solola

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province just below Quiche, each told of recent massacres in their area that they attributed to the new army saturation tactics. The church workers accused the guerrillas of increasing their level of cruelty as well, including executions of suspected army collaborators and coercive recruiting tactics. They knew of no cases, however, of guerrilla attacks on villagers as a group or of killing of women and children. "They don't play the same game as the army," a Huehuetenango priest said. "The army kills wholesale. You can call it genocide, because they are trying to kill every Indian alive." He and other church workers described the pattern of army-guerrilla activity that led to the mass killings. Over the past year the army made only sporadic incursions in the area. The guerrillas were thus able to come into the villages and persuade the people to help them set up food distribution systems to channel supplies to their forces.

When the army began its offensive, the villages, not the actual guerrilla camps, became the targets. Some villages had civil defense units thrust on them, and the people were forced to bear arms against guerrillas they may have sympathized with. Other villages, the church workers said, were attacked by army units, equipped with army-issue automatic weapons and boots but often wearing civilian clothes.

The guerrilla fighters may not have been in the village for days before the army attack. For the villagers the result is the same: those who cannot escape are rounded up and killed, their bodies mutilated and often burned. Sometimes the military searches house to house for suspected guerrilla collaborators, such as those who helped organize the food collection system for the rebels, and only they are killed.

One eyewitness, Father Ron Hennessey, described an incident that took place in the town of San Mateo Ixtatan. Troops read a list of persons ordered to report for duty in the newly organized civil defense unit. The ten people who answered the call were taken away in an army truck for what the soldiers said was "training." Their macheted bodies were found two days later by others along a highway north of town. "It's a tactic of pure terror," he said.

AMNESTY INTERNATIONAL, THE NOBEL Prize winning human-rights organization, compiled information from press reports, government announcements, and eyewitnesses for the period April to late June 1982 and reported a total of 2186 people killed in what it called "large-scale extrajudicial executions." The report, submitted before a congressional subcommittee on August 5, stated:

> In no case known to Amnesty International has a campesino [peasant] who has succeeded in reaching comparative safety abroad in either Honduras or Mexico supported claims that opposition forces have been responsible for massive extrajudicial executions of noncombatant civilians. On the contrary, many who have spoken to foreign journalists outside of Guatemalan territory have indicated their knowledge or belief that the atrocities which they have witnessed or survived had been perpetrated by government or government supported troops.

In an appendix, Amnesty International provided a detailed list of fifty-nine incidents it said was "only a partial listing of massacres which have occurred in Guatemala since the March 1982 coup" that brought Rios Montt to power.

The United States government has gone to some lengths to refute the reports of massive killings by the government without denying categorically that they have occurred under Rios Montt. U.S. officials in Guatemala City condemned "increased violence" by the guerrillas but declined on-the-record comment about massacres attributed to the army. In Washington the administration spokesman on Guatemalan policy, Deputy Assistant Secretary of State Stephen Bosworth, told a congressional committee on August 5 that "guerrillas are responsible in major part for the rising levels of violence in rural areas."

In more private, not-for-attribution conversations, however, some officials knowledgeable about Guatemala admit that the reports of army massacres are accurate, but insist that until a warmer alliance is formed with Rios Montt, it would be foolish to cut off aid.

Amnesty International reported a total of 2186 people killed in 'extrajudicial executions.'

"No atrocities are okay. It's not a black-and-white situation. The question becomes whether if we withdraw aid the improvement will continue or the violations will get worse," an official said. The administration's unstated conviction is clear: Once military aid commences and an alliance against an insurgency officially portrayed as "externally" directed is cemented, there is no road back—human-rights violations or not.

The drawing of Vietnam parallels with Central America is not done solely by American liberals and the left. Reagan has described the abandonment of similar anticommunist allies in adversity in Vietnam as "betrayal." Deepening involvement in Guatemala and Central America will make it ever more difficult for the administration to extract itself from the region, even if it wants to, without suffering the charge that it "lost Central America."

The war is only now beginning in earnest. Rios Montt's goal of victory by December is proving more wishful thinking than anything else—not even the censored Guatemalan news reports have yet claimed a victory against a major guerrilla concentration. Rios Montt, the guerrillas, and our government, which is gearing up to arm yet another Central American regime, are all getting set for a long war. ▣

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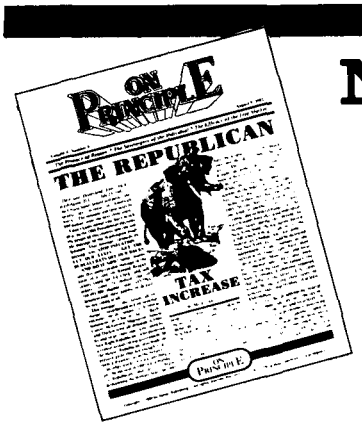

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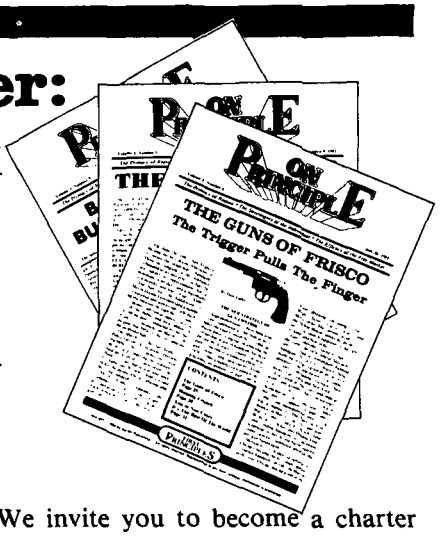

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INDICTMENTS ARE nothing new for Roy Williams. He has lived with them for much of his career. A tough-talking protégé of the late Jimmy Hoffa, the 67-year-old labor leader from Kansas City has been indicted three times—but never convicted—on such charges as embezzlement and tampering with union records. In May 1981 he was indicted a fourth time—for conspiring to bribe a U.S. senator. Two weeks later in Las Vegas, Nevada, Williams was overwhelmingly elected to succeed the late Frank Fitzsimmons as president of the world's largest labor union, the International Brotherhood of Teamsters.

The threat of criminal conviction is an occupational hazard for Teamster presidents. Both of Fitzsimmons's predecessors, Dave Beck and Jimmy Hoffa, went to jail. Williams professes unconcern, telling the *New York Times* in May 1982 that he is devoting less time to his legal problems than ever before. His lack of concern, however, may have less to do with the seriousness of the criminal charges than it does with the more critical problems facing him as Teamsters' president.

The criminal charges are serious enough. Williams is accused of conspiring in 1979 to bribe Senator Howard Cannon (D-Nev.), then the chairman of the Senate Commerce Committee. The bribe attempt purportedly involved over five acres of Las Vegas property worth $1.4 million that was to be offered to a group headed by Senator Cannon at a below-market price. The alleged purpose of the bribe was to influence Senator Cannon, whose committee during 1978 and 1979 was considering various bills to deregulate the trucking industry. Cannon himself was not indicted; his group never purchased the property in question; and a watered-down version of trucking deregulation, the Motor Carrier Act (MCA) of 1980, was signed into law in July 1980. (See sidebar.)

The MCA was a compromise between deregulation advocates—who wanted to virtually eliminate the power of the Interstate Commerce Commission (ICC) to fix unreasonably high trucking rates and keep new trucking companies from going into business—and those who favored the status quo, namely, the Teamsters and the trucking industry, who were quite content with their cozy cartel. The compromise resulting in the MCA essentially affected the ICC's authority over trucking in three ways:

- **Ease of Entry:** Trucking companies seeking new operating authority from the ICC no longer need to prove, as they did in the past, that existing service is inadequate, and that existing trucking companies would not be hurt by the new service.
- **Removal of Restrictions:** The ICC was directed to remove operating restrictions that prohibited companies from hauling freight in more than one direction, from making intermediate

MICHAEL MCMENAMIN, an INQUIRY contributing editor, is an attorney in Cleveland.

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One of the nation's unholiest alliances is coming apart at the seams, thanks to deregulation. But a Reagan appointee is trying to put it back together.

by Michael McMenamin

stops along the way, and from taking the most direct route between two points.

■ **Price Competition:** Trucking companies are now permitted to raise or lower rates as much as 10 percent without ICC approval. Other MCA provisions encourage the ICC to permit even more price competition and limit the ability of trucking companies collectively to fix rates through rate bureaus, as they have in the past.

But even the relatively weak MCA has been a disaster for the Teamsters. It has wrought far-reaching changes and adversely affected the Teamsters in ways few would have predicted two years ago. Roy Williams is certainly justified if he believes he has more serious problems as Teamster president than his bribery charges—problems that never confronted his predecessors, even in their bleakest nightmares.

For example, while still the world's largest single union, Teamster membership has dropped from a high of 2.3 million in the late 1970s to only 1.9 million today. In an attempt to reverse the membership decline, the Teamsters have had to increase their spending on organization efforts from $7 million last year to an estimated $20 million this year.

The union's power is also shrinking. With the sharp increase in nonunion competition, as many as 120,000 of the 500,000 Teamsters' drivers and warehouse-men are unemployed. Thousands of small nonunion trucking companies have sprung up since July 1980, with wages 20-30 percent below those of union companies. The ninety-eight largest trucking companies—most with Teamster drivers—showed a collective drop in total net income of over $50 million, down from $311.6 million in 1979. Moreover, the National Master Freight Agreement (NMFA), which is the Teamsters' largest single collective bargaining agreement, once covered 450,000 employees. Today it may cover as few as 250,000, and no more than 300,000.

Not surprisingly, in January 1982 the Teamsters agreed to a new NMFA, which, for the first time in its history, contained no general wage increase. This wage freeze was coupled with a reduction of cost-of-living adjustments (COLA's) from twice a year to only one adjustment annually. Further, the 72-cent per hour adjustment scheduled for April 1, 1982, as required by the old NMFA, was reduced to only 47 cents per hour. Additionally, only 284 companies took part in the negotiations for the 1982 NMFA, down from 487 in 1979. There were also widespread reports that 180 companies in Ohio and Michigan which signed the master agreement refused to pay the 47-cent per hour COLA increase scheduled for April 1. In Chicago the Teamsters backed down from the terms of the NMFA and agreed to a contract with the Chicago Regional Trucking Association, which eliminated the 47-cent COLA payments for the life of the contract.

Moreover, to avoid being seen as cutting wages to help troubled union companies, the Teamsters have frequently negotiated "loans" to trucking companies, which need be paid back only if

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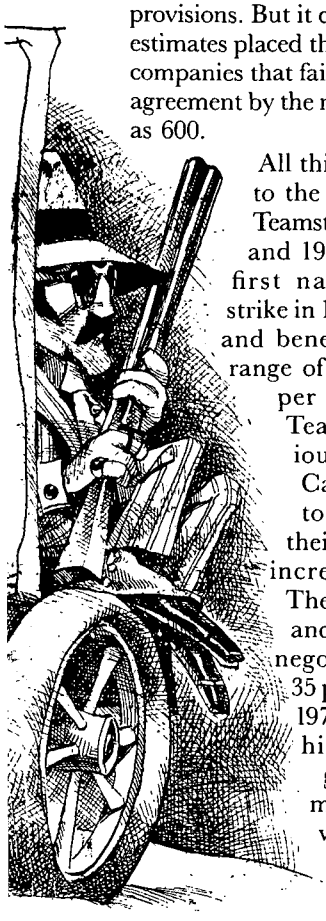
the companies regain their health. Few do. Last year, at least fifty trucking companies filed for bankruptcy. In April 1982, Spector Red Ball, Inc., the largest recipient of a Teamster loan and the country's sixth largest trucking company, filed for reorganization under Chapter 11 of the Bankruptcy Act.

The problems with the NMFA are clearly the most serious ones for Williams and the Teamsters. The agreement is Jimmy Hoffa's legacy to the union, and Roy Williams must know, deep inside, that if present trends continue, he will not be able to keep the NMFA by the time his term is up in 1985. Faced with the sharp drop in companies willing to participate in the agreement, Williams opened negotiations on December 1, 1981, and concluded a deal in mid-January (even though the old contract didn't expire until the end of March) with terms extremely favorable to the industry: no across-the-board wage increases for the term of the three-year contract; annual, rather than semi-annual, COLA's; and major changes in work rules to give more flexibility and cost savings to the companies.

Typically, even companies who do not participate in the group negotiations end up signing the master agreement. Williams had every reason to expect the same thing to happen this time, particularly given the favorable nature of its provisions. But it did not happen. Some estimates placed the number of trucking companies that failed to sign the master agreement by the middle of May as high as 600.



All this is in stark contrast to the last two NMFA's the Teamsters negotiated in 1976 and 1979. The Teamsters' first nationwide truckers strike in 1976 resulted in wage and benefit increases in the range of 10.5 to 11.5 percent per year. In 1979, the Teamsters were assidiously courted by the Carter administration to "voluntarily" limit their wage and benefit increases to 7 percent. They laughed at Carter and his guidelines and negotiated a three-year, 35 percent increase in the 1979 agreement, sending him the message of government-protected monopolies everywhere: We don't care. And we don't have to.

WHY IS IT that only three years later the Teamsters are in disarray, fighting to avoid actual wage cuts? In the past, Jimmy Hoffa always had the ICC in his hip pocket whenever he sat down to negotiate with the trucking industry. The ICC was an active Teamsters ally, willing to allow any higher negotiated labor costs to be passed on to shippers in rate increases. Roy Williams knows that feeling too. The ICC used to be in *his* hip pocket. As the union's central conference chairman, he negotiated in 1976 and 1979 the largest wage and benefit increases in Teamster history. But by the end of 1981, thanks to the modest deregulation of the Motor Carrier Act, such generous settlements were a thing of the past. Just eighteen short months of relatively free competition in rates and ease of entry into the trucking industry had brought many union carriers to their knees. The ICC was no longer there to protect the high labor costs of union carriers by fixing prices and keeping nonunion competition out of the industry.

Clearly, then, the ICC was a valuable ally for the Teamsters. In 1978 the Hoover Institution's Thomas Gale Moore confirmed how important that relationship was in his study, "Beneficiaries of Trucking Regulation" *(Journal of Law and Economics)*. By analyzing statistics from the Bureau of Census, the Department of Labor, the Office of Economic Opportunity, and the ICC, Moore showed that unionized wage rates in trucking were as much as 55 percent higher than nonunion wages. This means that in 1972, for example, Teamster members made $1.3 billion more in wages than if there had been no ICC regulation. So why did the trucking companies agree to such high wages? Moore noted that the ICC approved rate increases on the basis of the ratio of operating costs to revenue, and 60 percent of operating costs were labor related. Therefore, higher wages to Teamsters meant larger profits for the trucking companies. It is easy to understand why neither the Teamsters nor the truckers like the MCA.

Those who actually pay to ship goods, on the other hand, think deregulation is great. It's easy to see why. There are more trucking companies competing for business and more competition on rates and services. Consequently, shippers are saving more money and receiving better service under the modest deregulation effected by the Motor Carrier Act of 1980 than they were before. As one executive of Overnite Transportation in Richmond, Virginia, told the *New York Times:*

> We are now looking at freight that we used to pass up on our way to work and we are bumping noses with people we never used to compete with before. . . . Before we used to sell service, now we have to be marketers as well . . . even the salesmen have had to be retrained. They have to be skilled traffic specialists who can go out and explain the maze of new rates we have and tailor them to the customer's freight.

An executive of CRST, Inc. in Cedar Rapids, Iowa, echoed this trend:

> Before, we were operation oriented. We worried if the shipper fit into our regulated structure. Now we have to be market-oriented and adjust our structure to fit the shippers' needs.

There are still plenty in the trucking industry who remain uncomfortable with the thought of trucking companies actually serving shippers' needs. One of these dinosaurs is Bennett Whitlock, the president of the American Trucking Association, an industry trade and lobbying group. In a letter to the *Wall Street Journal* in March 1982, he warned of

> . . . a financial situation in trucking that seriously threatens its overall stability. Bankruptcies and failures are at an all-time high and those remaining in business find net income shrinking. There is considerable excess capacity in trucking today and there is little doubt that much of this is due to deregulation.

Some industry sources place the excess capacity figure for the industry as high as 40 percent. But it is a safe bet that there was *always* excess capacity in the trucking industry, hidden by ICC regulations requiring empty trucks on return trips and narrow restrictions on the type of freight carriers could haul. Far from creating excess capacity, deregulation has merely exposed it. Those trucks which are running are doing so more efficiently and at a lower cost to shippers than ever before.

And that was the purpose of deregulation. The trucking industry and the Teamsters fought deregulation tooth and nail, not because they were concerned with shippers' needs or the quality of service, but because they had a closed cartel. The government kept out their competitors, gave them antitrust immunity to charge whatever rates and pay whatever exorbitant wages they cared to, and let them stick the public with the bill.

Their licenses to steal were called operating certificates and were, under-

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standably, very valuable. In July 1980 their value as intangible assets on trucking companies' balance sheets was $785 million. In December 1980, after the MCA had been in effect for only five months the Financial Accounting Standards Board issued a policy statement directing carriers to write off the book value of their certificates. The 100 largest carriers together wrote off $431.5 million, including Consolidated Freightways for $33.9 million, Yellow Freight for $30.9 million, Roadway Express for $29.7 million, and Ryder Truck Lines for $24.9 million.

This write-off was not the only effect of deregulation on the financial condition of trucking companies. Net income for the largest 100 carriers dropped from $311.6 million in 1979 to $284.2 million in 1980. A similar drop occurred in 1981. And while profits have declined, bankruptcies have increased—including prominent and regional companies.

Bankruptcy was not an unforeseen consequence of deregulation. It was anticipated and is a healthy development, an efficient way to redeploy the assets of inefficient carriers that were too weak to withstand the breeze of competition. And while there are no statistics to verify this, it is commonly understood in the trucking industry that the owners of many bankrupt unionized companies have started new firms that operate without collective bargaining agreements, largely utilizing owner-operators of rigs as independent contractors.

It is a sobering thought to realize that these near-revolutionary changes in the trucking industry were accomplished through a bill accurately criticized ["The Hauling Cartel," *INQUIRY*, Apr. 7, 1980] as a "rather tame change" which "falls short of even the relatively moderate reforms" proposed by Senator Edward Kennedy at the behest of the Carter administration. The Kennedy-Carter bill, for example, provided for the abolition of *all* commodity hauling restrictions by the end of 1982. The MCA, sponsored in the Senate by Howard Cannon and Robert Packwood (R-Ore.), only directed the ICC to "reasonably" broaden the commodity authority of carriers. Kennedy-Carter would have allowed rate cuts of 20 percent and increases of 5 percent without ICC interference for a two-year period and no fixed limits on rate cuts after that. The Cannon-Packwood MCA limited both cuts and increases to only 10 percent without threat of ICC interference. Senator Cannon himself admitted at the time that he was in opposition to

Senator Cannon and the Teamsters

THE LINKS BETWEEN the Teamsters, organized crime, and a powerful Senate committee chairman help illustrate how much is at stake in the battle over trucking deregulation. Here's how the government says Williams and his codefendants sought to persuade Senator Cannon to oppose then-pending deregulation legislation: by inducing the Teamsters' Central States Pension Fund, which owned a choice piece of property adjacent to the Las Vegas Country Club, to sell the property at a favorable price to a group headed by Senator Cannon and to induce those bidding against the Cannon group to withdraw. Some press accounts have suggested that the government's case against Williams is weak because Cannon and his group never purchased the property in question, Cannon was not indicted himself, and a deregulation bill he authored was eventually passed. But the fact that a bribe wasn't accepted, for whatever reason, wouldn't alter the illegality of any conspiracy. Moreover, at the time of the alleged conspiracy, during the first half of 1979, there was no Cannon bill on deregulation. Cannon's bill, which by his own admission stopped far short of deregulating the trucking industry, did not come until much later, after much stronger deregulation legislation had come forth from both Edward Kennedy and Jimmy Carter. Also, it should not be overlooked that Cannon did meet with both Roy Williams and Allen Dorfman, a former Jimmy Hoffa associate and now one of Williams's codefendants, in Las Vegas on January 10, 1979. He denies they talked about the land deal but has admitted talking with Dorfman about deregulation. But before the federal grand jury, Cannon denied making a commitment to Dorfman or Williams on deregulation.

If only to avoid the appearance of impropriety, it would have been prudent for the chairman of the Senate Commerce Committee to refrain from a private meeting with individuals like Williams and Dorfman, who had been publicly identified as having ties with organized crime. But Senator Cannon has not been overly concerned with the appearance of propriety. In January 1981 he established a legal defense fund to defray his own legal expenses, incurred during the grand jury investigation that led to the indictment of Williams. Senators are allowed to accept contributions to pay expenses arising from civil or criminal proceedings involving performance of "official duties," which in Cannon's case apparently includes fending off bribe attempts.

By May 1982 Cannon had solicited $67,100 for his defense fund, including a $1000 contribution from Allan Sachs and the maximum $5000 contribution from Moe Dalitz. Both Sachs and Dalitz have been linked to organized crime, and both have been beneficiaries of multimillion dollar loans from the Teamsters' Central States Pension Fund to purchase or build major casino resort properties in Nevada and California.

The current plight of Roy Williams and the Teamsters—and Williams's response to it in his short tenure as president—has to be understood in relation to the Teamsters' long history of dealings with and loans to organized crime. For Williams and organized crime, deregulation of the trucking industry is slowly but surely squeezing the life out of the goose that has laid so many golden eggs for so many unsavory characters over the years. What Williams has been doing as Teamster president is a classic holding operation, hoping against hope that a rescue mission will be mounted to roll back the extent and effects of deregulation. This is crucial to Williams and organized crime, because if deregulation of the trucking industry is allowed to continue and Teamster power continues to erode, there won't be any more multimillion dollar loans coming from the Central States Pension Fund to people like Moe Dalitz or Allan Sachs. ■

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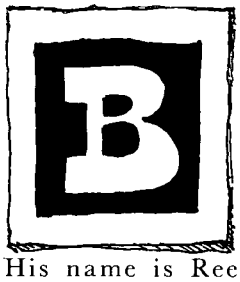
the regulation of the trucking industry and that his bill stopped "far short" of that goal.

Roy Williams and the Teamsters understandably wish that Cannon had stopped much shorter than he did. Nevertheless, the far-reaching changes occasioned by Senator Cannon's "rather tame" measure provoked in the Teamsters an increasing sense of desperation in the short span of a few months after its passage.



UT IN JULY 1981, a new hero appeared on the scene who may yet breathe new life back into the Teamsters' golden goose. His name is Reese Taylor, Jr., and during his brief tenure as chairman of the ICC, this Reagan appointee has done his best to stall deregulation and bring back the good old days. Taylor is a Nevada lawyer and regulator with no apparent experience with or understanding of free-market economics. His scholarly articles include such classic studies as "A State Regulator Looks at the Telephone Independents" and "The Case for State Regulation of CATV Distribution Systems." Taylor was a law partner of President Reagan's close friend, Senator Paul Laxalt (R-Nev.), and was Reagan's Nevada campaign chairman in 1976 and 1980. Taylor also served as the chairman of the Nevada Public Service Commission when Laxalt was governor from 1967 to 1971. The Public Service Commission regulates trucks, railroads, and utilities. It's not surprising that Taylor's law firm represents major power companies and trucking companies in Nevada.

When it came time to pick a new chairman for the Interstate Commerce Commission, *Business Week* reported that the Teamsters—the largest union to endorse Reagan—wanted "someone who did not have a maniacal devotion to the free market." Reese Taylor was their man. *Business Week* also reported that sources close to the Teamsters claim to be the ones who approached Taylor about the position and that Taylor then consulted and sought the support of his old law partner Laxalt. *Common Cause* magazine boldly claimed that Taylor was "handpicked" by the Teamsters.

Taylor's performance as ICC chairman has confirmed his critic's fears and justified Teamster support for his nomination. Denis Breen, of the Federal Trade Commission's Bureau of Economics, summarized the ICC's approach during Taylor's first six months there. In a paper presented to the Motor Carrier Ratemaking Study Commission in March 1982, he made this assessment:

> . . . Applicants for operating authority are suddenly finding it more difficult to obtain broad certificates, and a legislative proposal to raise the fitness standard for entry has been developed at the ICC. The ICC is also scaling back some previously granted certificates that are considered to have been too broadly written. As for rates, tariffs are now more closely monitored and competitive rate discounting is being viewed by the ICC as discriminatory and predatory. . . .

In other words, Taylor at the ICC is attempting to keep out new companies, restrict the operating authority of existing companies, and discourage rate cutting.

Taylor vehemently denies that he is attempting to "re-regulate" the trucking industry, but his performance to date belies his denial. He is "an inveterate regulator," says former ICC member Marcus Alexis, an economics professor at Northwestern University. What Taylor has done at the ICC is to take the weak and ambiguous aspects of the MCA and interpret them in as narrow and proregulation a fashion as possible. For example, the MCA still permits the ICC to consider an applicant's "fitness" to provide the service requested in an application for operating authority. In order to keep barriers to entry at a minimum and encourage competition, the pre–Taylor ICC construed "fitness" in a broad manner and granted a large number of new licenses, which were very liberal in terms of commodities to be hauled and geographic areas to be served. In the first year after MCA, the ICC approved 75 percent of requests to carry all commodities anywhere in the country. In the period immediately after Taylor took over, that figure dropped to 20 percent.

Taylor's policies will have a chilling effect on price competition

His performance with respect to lower rates is equally disheartening. He opposed the promotional discounts of up to 50 percent offered by Roadway Express, a major carrier, on its new service to the Pacific Northwest on the grounds that they were "predatory." Taylor has also opposed as "predatory" the low rates being offered on truckload traffic by small nonunion carriers. Taylor apparently is oblivious to his economic inconsistency in attacking both the largest and smallest carriers for "predatory" pricing, a theoretical phenomenon which does not exist in the trucking industry or anywhere else. Taylor's policies, however, will have a chilling effect on price competition among truckers. And, as with barriers to entry, the ones who benefit most from those policies are unionized trucking companies and the Teamsters.

It is by no means certain at this time that Taylor will succeed in his efforts to rescue the Teamsters and their allies among the trucking companies. Taylor has prominent and vocal critics. The Joint Economic Committee of Congress issued in February 1982 a scathing denunciation of Taylor's stewardship: "It is the committee's conclusion that the ICC under Chairman Taylor has abandoned the goal of a freely competitive trucking market and has moved to reverse the progress toward deregulation which has recently been made." In addition, Reagan has appointed and the Senate confirmed in 1982 a number of new commissioners to the ICC, and it is too soon to tell whether they will support Taylor's proregulation policies.

The stakes are high. The future of the Teamster empire literally depends upon what the ICC does. As recently as 1979, the Teamsters could still negotiate massive wage increases. Yet after only eighteen months of a mild form of deregulation, the Teamsters are on the ropes.

Without ICC commissioners like Reese Taylor, the Teamster empire will continue to decay; organized crime will soon go elsewhere for its profits; and the thousands upon thousands of honest and dedicated trade unionists in the Teamsters will be able to reclaim their union and restore its honor and integrity. Only Reese Taylor and the ICC can reverse this trend. ▣

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Progress and Privilege: America in the Age of Environmentalism,
by William Tucker. Anchor Press/Doubleday, 314 pp., $17.95.

The environment and the elite

STEPHEN CHAPMAN

ON A RECENT TRIP TO THE West Coast I got my first glimpse of Daly City, an unprepossessing suburban community of 78,000 just south of San Francisco. It is perfectly ordinary in every respect except one. It was Daly City that was immortalized in the famous Pete Seeger song, "Little Boxes," written by Malvina Reynolds:

Little boxes on the hillside,
Little boxes made of ticky tacky,
Little boxes on the hillside,
Little boxes all the same,
There's a green one and a pink one,
And a blue one and a yellow one,
And they're all made out of ticky tacky,
And they all look just the same.

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Daly City is an environmentalist's nightmare. First it is ugly: those houses really do look all the same. Worse, they cover some lovely hills that otherwise would provide a vista of unspoiled nature. In contrast to the quaint charm of urban San Francisco and the towering forests of northern California, Daly City represents American suburbia at its most prosaic. The only thing that can be said for those ticky-tacky houses is that they enhance the happiness of the people who live in them.

Matters like that don't necessarily interest environmentalists, many of whom see human beings as an unfortunate blight on an otherwise harmonious nature. Consider the review of *Progress and Privilege* in the *New Republic* by the writer Wallace Stegner, who took Tucker to task for (among other sins) ignoring the "inexorably growing numbers of the weed species man." (Stegner reads no more carefully than he writes. Tucker devotes an entire chapter to the supposed population problem.) There is in environmentalist thought a deep strain of hostility to people—ranging from Stegner's blunt misanthropy to the elite's scorn for the middle class exhibited in "Little Boxes." That is one of the more revealing of William Tucker's many insights.

Progress and Privilege is the first broad, critical examination of environmentalism—which is surprising, given the movement's power and popularity. As Tucker notes, it "comes close to being a national religion. There seems to be no issue, large or small, that can win more support, year in and year out, than the notion of 'cleaning up the environment.'" No doubt that is because environmentalism has rarely been subject to intelligent scrutiny. This book does, and it may begin to change the attitudes of Americans.

Tucker's principal insight, occasionally strained but usually illuminating, is that environmentalism is a form of conservatism. It shares with the true conservative temper a distaste for commerce, a suspicion of the idea of progress, a preference for collective concerns over individual desires, and a romanticizing of the past. The best description of the environmentalist, says Tucker, is Clinton Rossiter's description of the conservative: "The conservative . . . knows that we must pay a price in ancient values for toothpaste, toilets, and touring cars. . . . If it comes down to a final choice between a cherished value and a new labor-saving gadget, the conservative will choose without hesitation for tradition and discomfort." Substitute the word "environmentalist" for "conservative" in that passage, and what environmentalist would quarrel with the description? A quotation Tucker cites from a group of Southern conservatives in their book, *I'll Take My Stand* (1930), could have been taken from an environmentalist tract: "Latter day societies have been seized—none quite so violently as our American one—with the strange idea that the human destiny is not to secure an honorable peace with nature, but to wage an unrelenting war on nature. . . . Our vast machine, with its laboratory centers of experimentation, and its far-flung organs of mass production, is like a Prussianized state which is organized strictly for war and can never consent to peace."

The book is also valuable for its examination of the movement's ancestry. One branch of the family tree is found in nineteenth-century opposition to the development of railroads in Europe. Critics argued that passengers would die from the high speeds or suffocate in tunnels, that cattle would drop dead at the sight of a speeding train, that steam engines would produce noise, pollution, and fires, and that dreadful accidents would inevitably occur. ("One of the ironies about modern transportaton debates," Tucker notes, "is what a favorite the railroads have become to environmentalists.") An aristocratic opponent even worried that trains would "cause the lower classes to move about needlessly." Compare this with the views of environmentalist sage E. F. Schumacher, author of *Small is Beautiful*, who complained that "a highly developed transport and communications system . . . makes people *footloose*" and reminisced about better times, when "the movement of populations, except in periods of disaster, was confined to people who had very special reason to move, such as the Irish saints or the scholars of the University of Paris."

STEPHEN CHAPMAN is on the editorial board of the Chicago Tribune.

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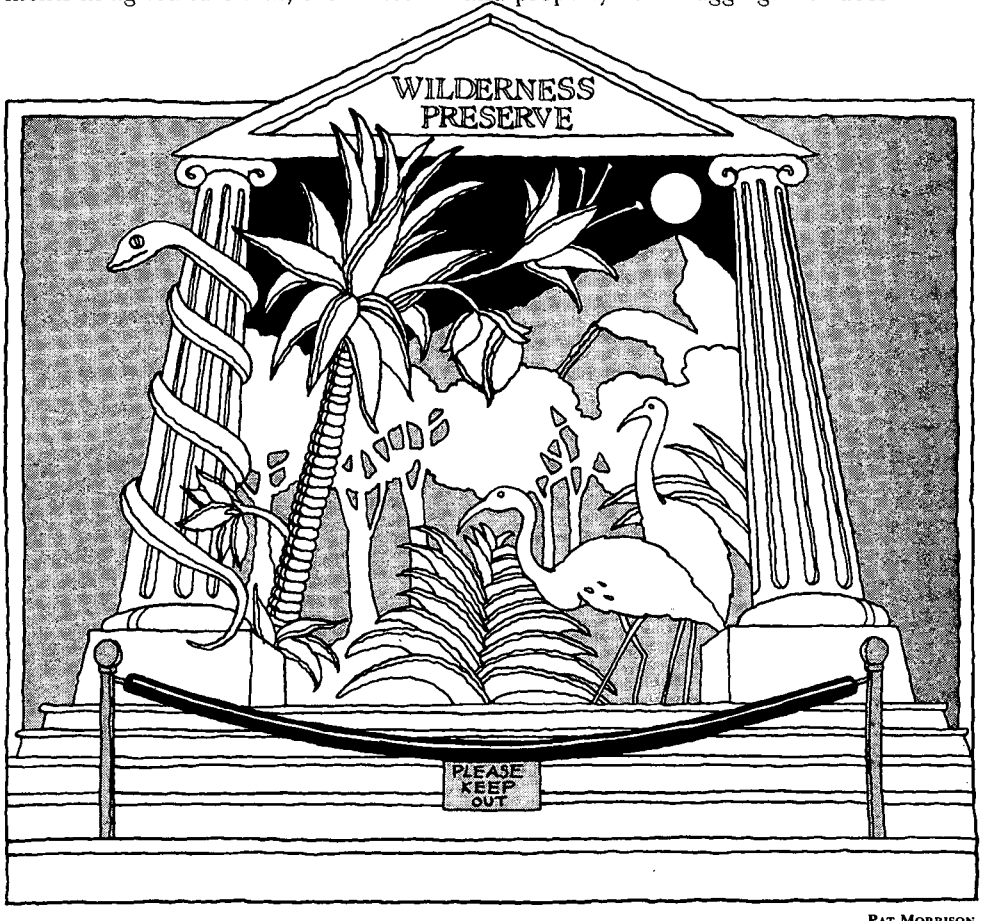
Besides being conservatives, argues Tucker, environmentalist cadres tend to be aristocrats—precisely the people conservatives aim to protect. Most of them are well-to-do: "Every survey that has ever been taken (including the Sierra Club's extensive polling of its own membership) has shown that support for environmentalism has been concentrated in the upper-middle-class, professional segment of society. Academics, attorneys, doctors, dentists, journalists, and upper-income suburbanites have been, without question, the backbone of the movement." Not surprisingly, then, "environmentalism favors the affluent over the poor, the haves over the have-nots." This is not a new insight, but it still tends to be forgotten. Much of the original opposition to environmental laws came from organized labor, which feared the loss of blue-collar jobs. And black leaders like Vernon Jordan have warned environmentalists that they "will find in the black community absolute hostility to anything smacking of no-growth or limits-to-growth. Some people have been too cavalier in proposing policies to preserve the physical environment for themselves while other, poorer people pay the cost." The cost comes in power plants that aren't opened, highways that aren't built, oil that isn't extracted, housing construction that isn't allowed, and so on. It is much less painful to sacrifice economic growth for environmental preservation if you've already got yours.

TUCKER ALSO DEFLATES many of the apocalyptic predictions of environmentalists. No better attack has been written on the myths of overpopulation, or on those who have spread them. The worst that can be done to this group is to quote their own lugubrious words, and Tucker does so. There is Paul Ehrlich, whose book, *The Population Bomb* (1968), insisted darkly that "we can no longer afford merely to treat the symptoms of the cancer of population growth; the cancer itself must be cut out" and railed against American biologists who had raised life expectancies in the Third World—"death-controllers," he called them. There are William and Paul Paddock, whose best-selling book, *Famine—1975!* (1965), predicted that as a result of overpopulation, "in fifteen years the famines [in the underdeveloped world] will be catastrophic and revolutions and social turmoil and economic upheavals will sweep areas of Asia, Africa, and Latin America." And there is Garrett Hardin, still one of the most respected environmentalist thinkers, who said population growth would have to be stopped through "mutual coercion, mutually agreed upon." (It isn't quoted here, but Hardin also recommended that each American woman be allowed to have only "X number" of children, after which she would "by law be required to have an abortion and sterilization.")

In fact, such countries as India, which the Paddock's regarded as hopeless, are now self-sufficient in food. Economist D. Gale Johnson of the University of Chicago has written that "the percentage of the world's population who find themselves subject to actual famine conditions is probably lower now than at any time in the past." The "population bomb" hasn't gone off, Tucker explains, partly because the transition from large families to small families in the Third World "is occurring faster than it ever happened in Western history." And the Green Revolution, relying primarily on new forms of plant-breeding, has produced "improvements in agriculture that, even fifteen years ago, were beyond belief."

The book does have its flaws, the most glaring being its neglect of pollution, which is easily separable from more esoteric environmentalist concerns. Tucker occasionally praises the environmentalists for their contributions toward cleaning up our air and water, but generally he ignores the progress made in the United States. One of the best things to be said for the movement is that in the last decade, as the Council on Environmental Quality reports, air quality in the United States has actually improved, and water quality has grown no worse, despite population and economic growth. (These facts deserve mention all the more because the environmentalists, for tactical reasons, don't always publicize them.) Though he is an unabashed admirer of capitalism, Tucker apparently doesn't grasp its philosophical underpinnings. Hence, like capitalism's critics, he often implies that pollution controls are somehow at odds with a free market system. In fact, it is the recognition of individual rights (including the right to property) that is the best argument both for capitalism *and* against pollution—which in harmful quantities is as flagrant a violation of one's person and property as a mugging. Nor does



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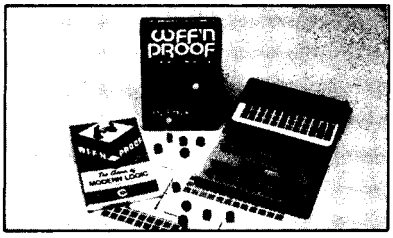

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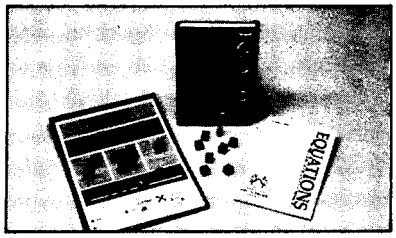

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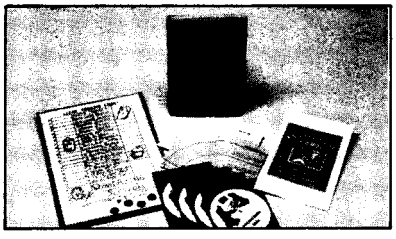

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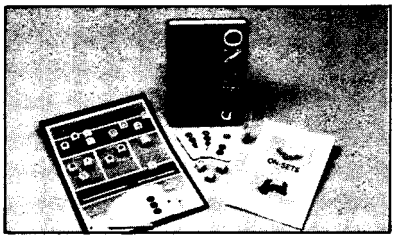

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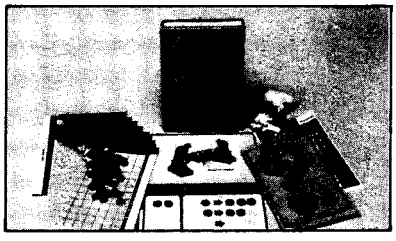

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pollution fit the rich versus poor model he uses: the well-to-do can avoid bad air and water by fleeing to suburbia, while the less affluent often have no choice but to stay in the urban industrial areas where the contaminaton is worst.

Tucker spends a great deal of time criticizing environmentalists for wilderness preservation, which generally means putting land off-limits to roads and motorized vehicles as well as logging, mining, and oil exploration. Here he draws a useful contrast with the original conservationist movement, which fully accepted what the Interior Department calls "multiple use"—preserving forests, say, while allowing limited commercial development. Says Tucker, "The wilderness concept appears valid if it is recognized for what it is—an attempt to create what are essentially 'ecological museums' in scenic and biologically valuable lands. But 'wilderness,' in the hands of environmentalists, has become an all-purpose tool for stopping economic activity." In his preoccupation with this distinction, however, Tucker seems unaware of more fundamental criticisms of government policy. Economists John Baden and Richard Stroup argue that it is generally not in the self-interest of bureaucrats to manage federal lands in an environmentally sound way. Other critics suggest that many of the environmental movement's own goals would be better served by turning over environmentally valuable lands to such private groups as the Sierra Club and the Audubon Society, and by other forms of "privatization." Tucker's book would be much more valuable if he had bothered to take up questions like these.

But *Progress and Privilege* is nonetheless a trenchant and provocative work, which if widely read may do for the environmentalist movement what Vietnam did for American foreign policy—force us to reassess it through and through. No one who reads this book (except the most stubborn dogmatist) will ever look at environmentalism through quite the same eyes again. Tucker is, in the best sense of the word, an iconoclast—one who attacks a stagnant set of beliefs by smashing its totems. Environmentalism will emerge better for the experience—its valid beliefs intact, its fraudulent ones discredited. Environmentalists won't thank Tucker for his contribution, but they should. ■

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At Dawn We Slept: The Untold Story of Pearl Harbor, by Gordon Prange. McGraw-Hill, 873 pp., $22.95.

Infamy: Pearl Harbor and Its Aftermath, by John Toland. Doubleday, 366 pp., $17.95.

Leaving the back door open

GEOFFREY WHEATCROFT

FORTY YEARS ON, PEARL Harbor is still a traumatic event in the strict sense: a bad dream. It was a great military disaster for the United States and a seemingly inexplicable one. How *could* the American Pacific Fleet have been caught at anchor by the Japanese (of all people) and largely destroyed? "Someone had blundered"—but who?

Two alternative answers soon suggested themselves. One held that the blame lay wholly at Pearl Harbor itself. This was the official explanation. The two local commanders in Hawaii, Admiral Husband E. Kimmel and Lieutenant General Walter C. Short, were relieved of their commands and made the fall guys. With the support of some, though not all, of their colleagues, they continued to protest their innocence. It was to no avail. Between December 1941 and May 1946 there were nine official enquiries into Pearl Harbor, ending with a full-dress congressional investigation. None of them exculpated Kimmel and Short, although the Navy and Army boards in 1944 put some of the blame on Washington.

And it was there that the alternative theory lay. The simplest and fullest exculpation of Kimmel and Short would be to show that Washington knew of the Japanese attack in advance, but deliberately withheld the information from Hawaii. Apart from clearing the names of the two officers, this hypothesis opened the way for a broader explanation of what happened in 1941. According to some revisionist historians, President Roosevelt had wanted to take the United States into the Second World War but lacked the pretext. If he could deliberately provoke the Japanese to attack first, his problem would be solved; better still if it were a treacherous surprise attack that shocked the American people and silenced domestic dissent against the war.

Some of the "revisionists" were so absurd that an antirevisionist historian like Gordon Prange has no difficulty in disposing of them. He quotes as an extreme example the *Woman's Voice* of Chicago, which in 1951

According to some revisionists, FDR wanted to take the United States into World War II but lacked the pretext.

held that "Roosevelt with Churchill's help planned the whole thing," and that most of the attacking aircraft were "manned by white men . . . British and American." Even the work of less eccentric writers, such as Rear Admiral Robert A. Theobald, is flawed by its partisanship. His *The Final Secret of Pearl Harbor* is a prosecuting brief against Roosevelt, a defense brief for the Navy.

In general Prange's book is well argued where he is dealing with such antagonists. Its faults lie elsewhere. Because it is the life's work of a distinguished scholar who did not live to see its publication, it would be nice to salute *At Dawn We Slept*. But it has already been acclaimed by other reviewers and has had its time on the best-seller list. It will do no harm here to follow Voltaire's precept—to the living we owe respect, to the dead we owe nothing but the truth—and to pour on a little cold water.

For one thing the book is far too long—730 pages of text, almost 400,000 words, and another fifty pages of notes—a fact that may have something to do with the illusion of completeness and finality it seems to have created in some minds. There is no questioning Prange's industry or command of the subject. But he has not grasped an essential principle of writing history: The reader does not want to know everything about the subject that the author knows. Having once learned something in the course of his researches, Prange cannot keep it to himself. A single example: We are told of how a Japanese submarine left its base on November 19 to scout ahead of the attacking force. Its movements are described for half a page, ending bathetically, "but he never reported a single message back. He saw nothing important enough to report. . . ." If the uneventful doings of every small ship are to be described at this length, we will run out of trees to print naval histories.

Again, Prange belongs to the meteorological school of historical writing: "Saturday, December 6, 1941, was one of those days when the weather in Washington seemed colder than it actually was. A westerly wind whistled down Pennsylvania Avenue and rattled the bare branches of trees." The most depressing thing about this is that the details are not plucked from the author's imagination. If Prange says so, then you can be sure that the wind really was blowing. And yet, I gently suggest, whereas the weather over Hawaii on December 7 is a matter of some historical significance, the weather in Washington is of no significance whatsoever, unless the president was actually suffering from sunstroke or frostbite. One could go on about the high-flown writing as well, but none of these flaws, although intensely irritating, vitiates Prange's scholarship.

He demonstrates that there was nothing inevitable or deep-seated about the attack on Pearl Harbor. Some form of Pacific war was easy to see coming. Roosevelt's economic blockade of Japan in the summer of 1941 left its leaders with a choice between humiliating capitulation and war. But it was always possible that Japan would strike in the south only, at British and Dutch possessions, to

GEOFFREY WHEATCROFT is a contributor to the Spectator *and other British publications. He is currently completing a work on South Africa.*

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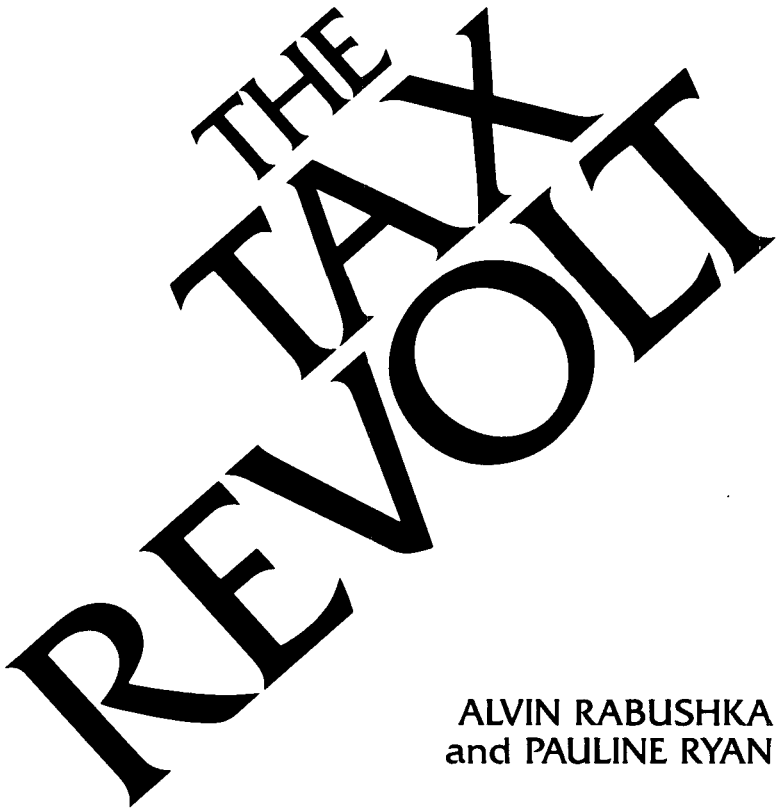

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secure the economic resources of the "Greater East Asia Co-Prosperity Sphere." This was indeed the nightmare that haunted the British. Maybe—with cynical hindsight—it is what the Japanese should have done. As it was, they decided it would be necessary to neutralize the American outpost in the Philippines. Quite late in the day a commander of genius, Yamamoto, persuaded his colleagues that the war should begin with an attack on the main American fleet.

Prange inclines to the view that Kimmel deserved most of the blame he incurred. He and Short *had* received warnings from Washington, and although those warnings were inadequate, it seems strange that the local commanders did not, for example, arrange air patrols or position torpedo nets. And yet, as John Toland shows in *Infamy: Pearl Harbor and Its Aftermath*, by early December Washington had unmistakable evidence of an imminent Japanese attack, but did not relay this intelligence to the Pacific commanders in unequivocal terms.

A LARGE PART OF THE story is familiar: the fourteen-part message from Tokyo to the Japanese embassy in Washington, which was decoded by American intelligence on December 6, and whose fourteenth part, a clear announcement of hostilities, was to be delivered to the State Department just when dawn was breaking in Hawaii; the delay because General George C. Marshall was out horseback riding; the signal belatedly sent to Hawaii by way of Western Union; and so on. We knew that Washington had received intelligence that a Japanese attack would take place in early December. We now know from Toland—his evidence has been disputed, but I don't think that its broad tenor can be questioned—that Roosevelt had clear indications that an attack would take place on Pearl Harbor. This would seem to give color to the semiextreme revisionist thesis: that Roosevelt not only hoped for war but also encouraged the attack on Pearl Harbor.

Part of the trouble here is that revisionists, or those who are conspiracy theorists, always over-egg the pudding. It was already enough that Roosevelt wanted to take his country to war despite the wishes of many of its citizens, including many who had voted for him the previous year. Toland's surmise as to Roosevelt's knowl-

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edge of the likely attack at Hawaii clinches the moral condemnation of the president. For anyone to go on to claim that he deliberately conspired to have his fleet attacked and devastated is both needless and foolish. The conspiracy theorists cannot have it both ways. Roosevelt was either a brilliant and unscrupulous politician or a maniac; he either led his country into its age of imperial world power or he wanted to see his country laid low. The answers to these alternatives seem clear to me.

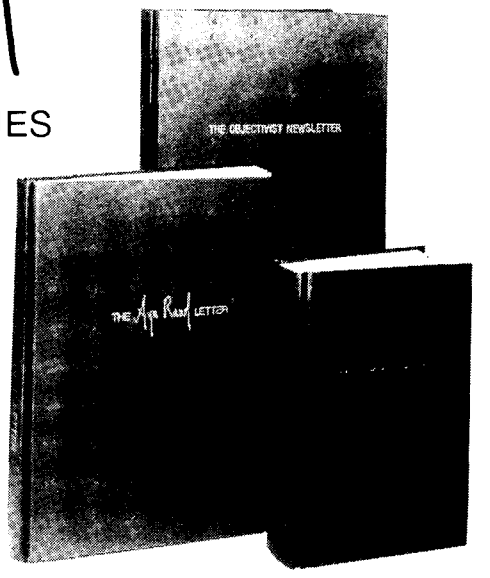
Nonetheless, if we accept all, or only part, of Toland's evidence, we must choose between believing in a fantastic conspiracy in some sense, or in a barely more credible picture of official incompetence and negligence. Once again, I know which I prefer. Roosevelt knew, and did nothing. Exactly why remains a mystery.

Toland plausibly suggests that, for one thing, Roosevelt and his closest associates did not want to compromise American command of the Japanese codes. Beyond that, most Americans, from the president down to enlisted sailors, suffered from a semiconscious racist belief in Japanese inferiority. They had second-rate aircraft flown by grinning subhumans. The British, of course, suffered from the same illusion and were disabused at Singapore. As it was, Roosevelt surely thought that an attack as reckless as one on Pearl Harbor would be repulsed.

It was not. Even now, when those who were young at the time are grandparents, the memory still rankles. Both Prange and Toland try to write dispassionately and without nationalist bias. All the same there is a faint undercurrent suggesting a one-sided Japanese turpitude, which is quite unjustified. We can now see that, however it may have been with the European war, the Pacific war was an imperial power struggle with little moral content. The war was of Roosevelt's making more than anyone else's. The attack at Hawaii was indeed a treacherous and unprincipled action; but it was also a brilliant one. Moreover, Pearl Harbor was almost the definition of a genuine military target. The "victims of Pearl Harbor," to whom Toland's book is somewhat sententiously dedicated, included sixty-eight civilians. On March 9, 1945, American bombers killed more than 83,000 civilians in the great fire raid on Tokyo. That—rather more than tit for tat—should preclude moralizing. ■

Ayn Rand

IDEAS AND VALUES



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DAVID BOAZ

*AS THE COST OF GOVERN*ment soars, the quality of services provided by the government is declining. Educational test scores have been dropping, America's infrastructure of roads, bridges, and water projects is falling apart, and mailing a letter is an act of faith. The response to all this has varied widely. Establishment liberals call for $3 trillion in new public spending on the infrastructure alone, socialists offer "economic democracy" as the panacea for government failure, and in many states the voters join the tax revolt.

Rarely do these solutions question the fundamental assumption that needed services should be provided by government in a more or less traditional way. Rather, the debate is confined to such prescriptions as spend more, spend less, or put different people on the planning boards.

The growing privatization movement would seem to offer the possibility of some fresh thinking. Accepting the argument that government is too costly and that services are deteriorating, the advocates of privatization suggest that some services could be better provided by private firms. They cite the company that delivers fire protection in Scottsdale, Arizona, for 47 percent less than a municipal agency would, or the savings realized by cities that contract out the provision of garbage collection, data processing, or other services.

Nevertheless, despite the appearance of novelty, the supporters of privatization remain trapped in established patterns of thought. Government schools are too expensive, they say, so let's have the government collect money and then give it to students to be spent at schools that look remarkably like government schools. Likewise with refuse collection, transportation, or electric power.

The point that seems to escape even the privatization advocates—who generally have an appreciation of the efficiency and innovation characteristic of the private sector—is that many public services have been molded into their present form by years of government provision or control. It is difficult to imagine what a particular service might look like if it were permitted to evolve naturally in a free society, but what must be recognized is that it might be quite different. Indeed, a particular service might not even exist if it were allowed to develop without government domination. Perhaps there would be no garbage collection as such because people making decisions in a free market would find it more advantageous to immediately recycle wastes as fertilizer or biomass energy. Perhaps there would be no recognizable "schools" beyond the primary grades because people would find alternative ways of acquiring knowledge. The point is, we can't give definite answers to these questions, but we shouldn't assume that "services" must always take the shape they have.

Within the narrow paradigm of establishment thought, however, E. S. Savas offers some generally useful analysis. He understands at least some of the fundamental causes of government growth: officials who work to enlarge their own budgets and staffs, and hence their power; the "problem-finding elite," who seek out—and often invent—problems for government to solve; public employees, who vote much more heavily than private-sector workers; and, perhaps most important, the concentrated benefits and diffuse costs of government action. This last implies that while the small group of people who expect to profit substantially from a spending measure will lobby vigorously for it, the larger group of taxpayers, each of whom will pay only a few dollars more in taxes, has no incentive to fight the proposal.

Savas's main intention, however, is to analyze how government services might better be delivered. He offers broad strategies for achieving this. The first, rather inelegantly called "load-shedding," means allowing goods or services to be provided by the marketplace. The others involve reducing the role of government in furnishing the service, levying user charges, or introducing competitive arrangements. Analyzing government services from garbage collection to nursing homes to education to police protection, Savas reviews how well the alternatives might work in practice. He generally finds that a greater reliance on the private sector can improve the delivery of services, reduce the tax burden, and reverse the trend away from individual freedom.

Unfortunately, few of Savas's proposals involve turning government services over to the free market, to be provided at market prices to voluntary purchasers, and to evolve naturally in whatever direction consumers choose. Instead, he proposes such pseudo-market solutions as intergovernmental agreements, contracting out, franchises, subsidies, and vouchers. Very little may actually be gained by these steps. When the government subsidizes housing or mass transit, for instance, the producers benefit, and certain users benefit in the short run. But most people are made worse off because capital is used inefficiently, and resources are allocated by political pressure, not by consumers. Moreover, we get the kind of housing or transportation that government wants, not what people would voluntarily select.

When the government decides to give a private company a monopoly franchise in a particular service—say, garbage collection—are consumers and taxpayers any better off? There is evidence that even in this sort of arrangement, private companies are more efficient than government. But if only one company is allowed to offer a service, there is no free market, and the payment charged by that company is virtually indistinguishable from a tax. Even if two or more companies are allowed to "compete," there will likely be little difference in what they supply, and there is certainly little chance of

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fundamental change in the nature of the service. Most important, there is no evidence that governments cut taxes when they save money on the provision of a service. Rather, they regard that as an opportunity to spend more on some other program. The level of taxation is set not by how much government needs, but by how much it can get. Thus a reduction in the government's costs will not lead to tax reduction.

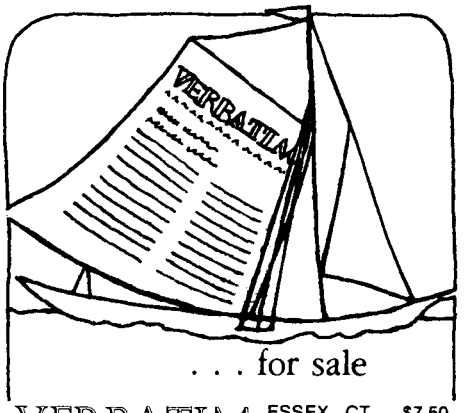
SOME DISTINCTION HERE should be made between real services that government has usurped and the functions of government that are not in fact services, but the reverse. In the former category are education, health care, garbage collection, fire protection, energy, transportation, postal service, weather forecasting, water, and a host of others—all things that people need and would pay for. The latter category would include zoning, narcotics arrests, tax collecting, foreign invasions, busing, draft registration, and all the other things government does that people would be better off without. The goal of those who favor freedom and prosperity should be to privatize the former services—to remove government from the provision of them and allow consumers to choose what services thay want in the free market. If privatization moves us in that direction, it may be a valuable step. With the latter, however, our goal is not to make them more efficient, but to abolish them. We do not want private, efficient enforcement of the tax and drug laws—we want to liberate people from the burden of them.

Savas, unfortunately, does not make such a distinction. His list of services provided by private firms under contract to municipalities includes planning, government public relations, zoning, licensing, narcotics investigations, and even tax collection. I began to wonder if this book was an elaborate parody of the privatization idea when I read this sentence: "Private air forces have come into being in recent years to engage in war under contract." Presumably, private air forces kill, say, 27 percent more of the enemy at half the cost.

Savas offers a strong argument for the greater efficiency of private companies in providing genuine services. He reels off a string of impressive figures: The average cost per patient per day at Veterans Administration nursing homes is 83 percent higher than the cost of comparable care in privately operated nursing homes. Municipal fire protection is 89 percent more expensive than contract service provided by the private firm in Scottsdale. Private weather forecasters have a better record than the National Weather Service.

What can we conclude about privatization? Clearly, we get poor service at a high cost from government. But franchising, contracting out, and the like will merely give us monopoly services under a different name. The taxpayers are not likely to benefit. And even if government budgets look smaller, we are no better off if we simply have to pay for the service in the form of user charges instead of taxes. One of the endorsements for the book—from Allen Schick of the University of Maryland—makes an interesting point: "One does not have to buy Savas's argument that government has grown too large to benefit from his demonstration that it can be made more efficient. . . . He has provided . . . a useful guide for governments trapped between rising costs and taxpayer revolts." Indeed, privatization may simply be a holding action for governments trying to preserve their control in the face of taxpayer revolts. By granting a monopoly franchise to one company, they maintain their control of an important service, but the payment is shifted to the taxpayers instead of coming out of the government's budget directly. One could "privatize" the whole government this way—make each of us pay a fee directly to some company for each service now provided. Government would be "smaller," but would we be any freer?

Contracting out ignores not only the economic reality that freedom of entry and consumer choice are what make the marketplace work, but also the fundamental point of justice: Consumers should have the right to choose what services they want from which suppliers. Savas provides some useful arguments for the efficiency of the private sector, but he misses the fundamental distinction between free enterprise and state capitalism. And when he talks about private air forces hired for wars, competing city planning bureaus in Yugoslavia, culture vouchers to allow people to select from among approved cultural events, or private narcotics investigations, he does the free market a greater disservice than many of its avowed enemies. ■



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Voices of Protest: Huey Long, Father Coughlin, and the Great Depression, by Alan Brinkley. Alfred A. Knopf, 348 pp., $18.50.

The New Deal's populist cranks

JOSEPH R. STROMBERG

WHEN I WAS A HIGH-school boy, growing up on family tales of Rooseveltian duplicity, I used to go to our small-town library to learn about FDR's much maligned opponents. There wasn't much on them, and none of it favorable. So I made do with classics like John Roy Carlson's *Under Cover* and O. John Rogge's *The Official German Report*. According to them, every vocal critic of FDR's foreign and domestic policies was a fascist or fascist dupe. Even so, here was information of sorts and plenty of names of supposed right-wing "crazies." FDR's enemies were clearly a mixed lot. Since then, newer works have made it easier to separate the conservatives, socialists, classical liberals, progressives, and yes, real fascists who stood against FDR. Father Charles E. Coughlin was hardly the best of the lot; Huey Long was even worse.

Now along comes Professor Alan Brinkley of MIT to reopen the cases of Father Coughlin and Senator Long and rescue them from charges of fascist subversion. His treatment is built partly on a sense of the New Deal's limitations, which has grown up among younger historians. This allows him to reevaluate Long and Coughlin as New Deal critics.

Brinkley describes Long's meteoric rise from small-town lawyer to a governor of Louisiana with unprecedented personal power. As senator from Louisiana, Long was a Southern demagogue-at-large whom Roosevelt genuinely feared. If spending tax dollars and issuing state bonds is progress, then the Kingfish was the most progressive Southern governor of the age. As senator, his brazenness, buffoonery, and open power-lust kept him out of the Club. He didn't care, preferring to win a national following by attacking concentrated wealth. Radio was his natural platform. Only his assassination in 1935 prevented his "Share Our Wealth" movement from creating serious problems for the New Deal.

Like Long, Father Coughlin, a parish priest in Detroit, discovered radio at the right time and place. His radio sermons combined antiindividualist Catholic social doctrines—following Leo XIII and Pius XI—with his own inflationist monetary schemes and a vague "isolationism." As "the radio priest," Coughlin had millions of regular listeners and, at his peak in 1935, used them to help defeat the World Court treaty by bombarding the Senate with telegrams.

Long and Coughlin were competing for the New Deal's constituency: people eager for anti-Depression panaceas.

But Long and Coughlin were competing for the New Deal's constituency: people eager for anti-Depression panaceas. Every time Long and Coughlin seriously criticized the New Deal, they lost followers. They just couldn't outdo the snake-oil salesman in the White House. After Long's death, his supporters largely returned to the Roosevelt fold. Coughlin's increasing alienation from the government after 1935 reduced his following to a small hard core. He took up anti-Semitism after 1938, as well as nonintervention abroad (no necessary connection). He was silenced after Pearl Harbor.

What alternative vision, if any, did Long and Coughlin offer? Long wedded populism to economically fantastic ceilings on personal wealth and a tax-financed income floor for all. Coughlin mixed populist monetary nostrums with social Catholicism. Dumb, but not all that fascist. One can argue that it was the New Deal that was more "fascist" than either of these two ridiculous radio demagogues. Critics as diverse as John T. Flynn, Garet Garrett, William Appleman Williams, Murray N. Rothbard, and even Ronald Reagan have remarked on the striking resemblance between the New Deal's liberal corporatism—with its myriad of restrictive, cartelizing programs—and the Italian fascist corporative state.

For Brinkley, Long's and Coughlin's "ideology" reaches back into American populism and, ultimately, republicanism. The two cranks and their followers wanted "a carefully restricted expansion of the role of government" to arrest "the steady erosion of the individual's ability to control his own destiny." Viewing great wealth, monopoly, and big government as a single problem, they sought to "restore" competition and local autonomy through, of all things, selective federal intervention. Believing the market had come undone of itself, they prescribed a Visible Hand to save their declining way of life.

For the author, the attitude—if not the program—came out of "republicanism," the antistatist ideology of the American Revolution. This analysis is certainly half true, but it may not get us very far. If fear of centralization, oddly combined with piecemeal federal intervention, was the only thing left of "republicanism" by the time of Long and Coughlin, then the outlook was dead long before they arrived. What bears explaining is how we got from republicanism with brains (Thomas Jefferson, John Taylor, Samuel Tilden) to republicanism without brains (your choice). Perhaps it was unavoidably debased into empty rhetoric by our venal two-party system. Its demise left would-be reformers up the programmatic tributary *sans* paddle. Real republicans knew that monopoly and extreme concentration of wealth result from extraeconomic coercion, the intrusion of political power into economic society. They wanted a thorough sweeping away of the obstacles erected by political privilege, a *laissez-passer* to free economic growth.

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For Brinkley, republicanism—pure or debased—was inadequate to the tasks of the 1930s. It was suited to "early capitalism," but, meanwhile, Modernization had taken place. For shabby cranks like Coughlin and Long to hurl Jeffersonian rhetoric, mixed with economic envy, at the power structure was futile. They stood athwart history's main drift.

Like many contemporary historians, Brinkley is into Modernization, the inexorable process by which the ineluctable inevitabilities of Fate take us where we are going. Modernization's checklist always includes spontaneous economic centralization, political centralization in response to that, depressions endogenous to the market economy, and disagreeable populist movements protesting the whole sequence. Fortunately, far-seeing governing elites toss these "petty bourgeois" insurgencies into the Dustbin of History.

Built up of people with something to lose, movements like Long's and Coughlin's cannot be radical. They refuse to go *vorwärts*—I mean forward—into socialism. This earns them hostility of left-of-center historians. Brinkley tries, but cannot entirely shed that attitude. Imagine these rural crackers and urban Catholics wanting to live under small-scale capitalism, when they could go forward into industrial unionism, liberal corporatism, rational Hegelian bureaucracy, administrative "law," and the welfare-warfare state—if not into socialism.

Actually, to the extent that Modernization is a code word for aggravated statism and corporatism, it was an unnatural trend, rooted in the conscious will of party oligarchs, ambitious bureaucrats, and privileged corporate chieftains to "rationalize" the political economy for their own benefit. Only later did they and the intellectual community (conservatives, corporate liberals, and Marxists alike) declare it had all been inevitable anyway, thereby demoralizing any remaining opponents of their *political*—not economic—structures of domination. A radical program of destatization could have dealt with cartelization, business cycles, and the other ills attendant on this neomercantilism—but none was offered. The enemies of small farmers and businessmen interred them by political means and scribbled "Died of Progress" on their markers. This view, of course, contradicts the conventional wisdom about self-generating gigantism in economy and state (assumed in this work). But interested readers might consult the relevant writings of Gabriel Kolko, William Appleman Williams, Murray Rothbard, Walter Karp, and Folke Dovring, to name just a few writers who take seriously political causation of economic outcomes.

Nonetheless, *Voices of Protest* is a useful and lively book. By treating Long's and Coughlin's ideas at length and opening up the question of their relation to republicanism, the author is a revisionist *malgré lui*. The fresh treatment is welcome even if it finally fails to convince us that Long and Coughlin were much more than perfect targets for an H. L. Mencken. Certainly, in domestic affairs Long or Coughlin in power would have been worse than the New Dealers they opposed. The careers of Long and Coughlin help us see what can happen when the state takes charge of Modernization and its critics have no real ideas. ■

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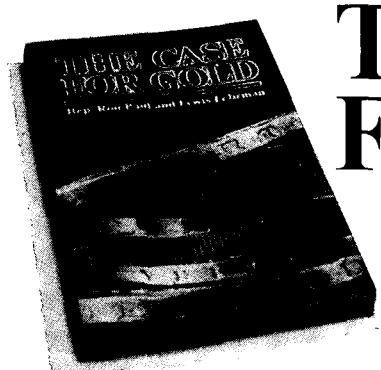

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In Print

AMONG THE BETTER products of a meager fall harvest: *Marva Collins' Way,* by Marva Collins and Civia Tamarkin (J. P. Tarcher, distributed by Houghton Mifflin, $12.95), is a lively, genuinely inspiring account of the early life and, especially, the teaching experiences of the admirable, successful Chicago educator. At the school she founded, Westside Prep, children who had previously failed are taught not only reading (through Shakespeare, Sophocles, Cervantes, et al.), writing, and thinking, but also independence, ambition, and self-respect. Symbolic of her approach is that each year she begins classes by reading aloud Ralph Waldo Emerson's essay, "Self-Reliance." ("Mr. Emerson is telling us to trust our own thoughts, to think for ourselves.") *Marva Collins' Way* almost makes you wish you had kids, just so you could send them to Westside Prep.

In *The Open Universe* (Rowman and Littlefield, $23.50), Sir Karl Popper, one of the century's most distinguished philosophers of science, argues that the physical world is not a closed system, whose iron determinism leaves no room for human free will; it is, on the contrary, open and indeterministic. Although not directly relevant to politics, Popper's intriguing analysis fills in the background for understanding his classic assault on historical determinism, *The Poverty of Historicism* (still available as a Harper Torchbook, $5.95).

If you are beginning to get the uneasy feeling that you ought to find out what the smiling, self-assured hawkers of "scientific creationism" are arguing, and what the rebuttal is, far and away the best book is Philip Kitcher's *Abusing Science: The Case Against Creationism,* the star attraction of MIT Press's fall list ($15.00). Kitcher's presentation of the case for evolution and against the various claims of the "scientific creationists" is comprehensive and fair-minded, and his prose lucid and often elegant.

Imperialism New and Old: Harcourt, Brace, Jovanovich has brought out a rather strange book, *The Destruction of a Continent: Africa and International Aid* ($14.95), by Karl Borgin and Kathleen Corbett. The publishers advise that it was submitted by Milton Friedman, and one can see why. The book is a devastating exposé of what economic aid programs have actually done to the African people, whose governments were led to adopt "the wrong models for development by politically motivated aid fanatics, enthusiastic but ignorant international bureaucrats, and the United Nations, which used Africa as a huge laboratory for their costly

experiments." The authors are particularly good on the UN, "the most inefficient, garrulous, money-spending, and pompous bureaucracy the world has ever known." On the other hand, the book is poorly organized, much too overheated, and, occasionally, wrongheaded. According to Borgin and Corbett, Africa has no need of economists (not even Peter Bauer?), only of technologists and agriculturists. Nigeria is an example of "supercapitalism," and its capital, Lagos, "a monument to capitalism run wild." And while the authors are harsh but just on Africa's "latest invaders," the international aid officials, and on the corrupt and parasitic governing elites, they pass over in virtual silence the crimes of an earlier conquering horde, the European imperialists. . . . As for the doings of the latter powers both in Africa and elsewhere, an excellent scholarly treatment is V. G. Kiernan's *From Conquest to Collapse: European Empires from 1815-1960* (Pantheon, $16.95). Kiernan provides a detailed account of the methods of violence and coercion (the bayonet, it turns out, was particularly effective) used by the British, French, Russians, and others in their empire-building.

New in paperback: Delta has recently published a revised edition of *How Children Fail* ($5.95) by John Holt, the sensitive, uncompromising critic of bureaucratic education. The same house will bring out a revised edition of Holt's *How Children Learn* ($7.95) early next year. . . . Also expanded and updated is the new paperback edition of Alva Myrdal's *The Game of Disarmament: How the United States and Russia Run the Arms Race* (Pantheon, $7.95). Herself a participant in past disarmament negotiations, Myrdal sets forth the results of her experiences and research into this "game" whose beneficiaries are governments and whose victims are the people. . . . Jakub Karpinski's *Countdown: The Polish Upheavals of 1956, 1968, 1970, 1976, 1980.* . . ($9.95) is a highly useful treatment of the history of Polish resistance to the Communist regime foisted on that country after World War II. The publisher is Karz-Cohl, 320 West 105th Street, New York, NY 10025.

Best diaries of the season and for a long time past: Noel Coward's, edited by Graham Payn and Sheridan Morley (Little, Brown, $22.50). As witty and polished as the best of the plays, the diaries cover over twenty-five years of keen observing of the theatrical and literary worlds and, especially, of the personalities who inhabited them. There are entries expressing his funnily (sometimes) awful High Tory politics, and, occasionally, those with the authentic bitter-sweet Coward ring—for example, on falling in love again when he was fifty-eight: "I can already see all the old hoops being prepared for me to go through. Ah me!" Over 700 pages, and a perfect design for joyous reading. —R.R.

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Film

Tempest, directed by Paul Mazursky.
Lola, directed by Rainer Werner Fassbinder.

Mazursky's hapless strivers

STEPHEN HARVEY

IN EIGHT MOVIES MADE over a dozen years, the world according to Paul Mazursky is about as consistent a vision as you're likely to find on the American screen. Apart from the occasional shiksa girlfriend, everyone in it is Jewish, or maybe Greek or Italian (which, after all, amounts to pretty much the same thing). Mazursky men are thwarted romantics with self-absorbed souls, and talk to distraction about big stuff like love and joy and fulfillment, none of which they've got. His women may seem dithery at first, but they're able to connect with life's basics in an instinctive, practical way that bewilders their husbands and lovers. People in Mazurskyland always want to be artists, but rarely get farther than the media crafts. They go to shallow, zeitgeisty parties where everyone gets giddy and no one has a good time. They haunt the offices of sphinxlike shrinks whose batty serenity is a reproach to their own hyperventilating selves. Young (*Next Stop Greenwich Village, Willie and Phil)* and old (*Harry and Tonto*) alike must trudge through a rugged odyssey toward the Self, but for most of Mazursky's offspring, the middle years are the worst—one protracted anxiety attack. They often set out on journeys to shed their malaises and find themselves, only to discover that Europe and the rest of Abroad are awfully romantic but scarcely Real Life, while America is just that bland place you have to get through once New York palls and L.A. beckons. Eventually, they all come to realize that you're stuck with yourself and might just as well enjoy it, especially if you can join hands in a ring-around-the-rosy with that thorny but irresistible supporting cast in your life.

Bob, Carol, Willie, Phil, enraptured Blume, and unmarried Erika—all foolish but sincere, dumped-on yet optimistic, and always redeemed, in Mazursky's eyes, by their hunger to grow and experience. So he indulges their foibles one and all, not least those of the male protagonists of *Alex in Wonderland* and *Next Stop Greenwich Village* who represent Mazursky himself at two discrete stages of his life. I doubt that Mazursky could ever concoct a movie around someone he didn't utterly love. Yet infatuation being the myopic thing it is, this director's generous feelings are sometimes squandered on some pretty shallow objects. And usually the most piddling of these inhabit those very Mazursky films that need all the spine they can get—the ones that pay tongue-tied homage to some European high-culture landmark. So you have the laid-back poseur Alex at Malibu making sandcastle replicas of Fellini's Cinecittà, or Willie and Phil playing at Jules and Jim when, actually, they'd scarcely be up to understudying Neil Simon's Oscar and Felix. What Mazursky lacks compared with the auteurs he so admires is not so much a breadth of vision as the willingness to be a little tough on the characters he creates. *8½* and *Jules and Jim* are comic tragedies about people trapped by their human limitations. *Alex in Wonderland* and *Willie and Phil* are romantic comedies about guys whose plodding menschiness makes them heroic.

TEMPEST

Tempest, his newest, finds Mazursky once more pirouetting on a tightrope between daring and hubris. As the title implies, this time he's paying fealty to the Bard, and the attempt to renovate these motley raiments into a supple pair of designer jeans does justice to no one. Structurally, this movie is made more chaotic by his attempt to observe

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TEMPEST

the classical unity of having this story take place within a single day; Mazursky is left with all this expository material to explain how his bourgeois Manhattanites got to this inaccessible Greek isle and what they're doing there, and no place to put it all; so it's just crammed in, seemingly at random, in huge chunks of flashback. He's dazzled by the play's mystical grandeur, but his would-be Prospero is a drip out of daytime drama. This character, played by John Cassavetes, is a soured architect named Philip; he implores the powers above to "Show me the magic," the props department obliges with a surge of lightning and waterworks, and the only awe you feel is at Mazursky's nerviness, and Cassavetes's straight-faced composure while lobbing such cutesy portents at us.

No wonder this guy Philip flees to Greece with his sullen teen daughter Miranda (Molly Ringwald) in tow—he sure does have a lot to contend with. He has to labor for lucrative sums as master builder to Alonzo (Vittorio Gassman), the casino magnate. He has to spend his leisure time staring at the same white walls of his confining West Village duplex, relieved only when the heavens show him some more magic through the skylight. He has to endure the boredom of his long-term marriage with Antonia. (Life with Gena Rowlands *boring?* Intimidating maybe, but it sure would have its compensations.) *Tempest* treats these dilemmas with the utmost sobriety, as does Cassavetes, the best brooder of his generation. Philip's complaint would have seemed rather commonplace when the righteous dropout ethic was more à la mode; as it happens, the times have tripped up Mazursky, who is usually so attuned to the temperature of the moment. Amidst the rigors of the eighties, our architect's mopey disillusionment seems positively quaint.

Mazursky's purposefully comic updatings of Shakespeare's creations may be tinged with archness, but they're a lot more resourceful. Alonzo's farcical retinue comprises a frenzied physician (Anthony Holland) with a taste for Greek sailors, and a Las Vegas jester (Jackie Gayle) who spits out grungy one-liners like slugs from a slot machine. Mazursky's Caliban, here yclept Kalibanos, is a kind of Zorba the Goat, eyes and lips filming avidly at the sight of the mammary "melones" adorning the American females who have invaded his rocky eyrie. There's nothing dangerous or disturbing about this creature; in typical fashion, Mazursky has turned him into an impotent sweetie. Still, it's refreshing to see Raul Julia, a rather bombastic performer in the theater, unleashing his overweening gusto for acting in Hellenic pratfalls and malapropisms for a change. His most triumphant moment finds him leading his caprine flock in a prancing, leaping chorus line to the tune of the Liza Minelli rendition of "New York, New York." This has almost as little relevance to the action of *Tempest* as it does to Shakespeare—apart from underscoring Mazursky's notion that distance can lend enchantment even to the overbuilt isle of Manhattan. Yet this aimless distraction from Cassavetes's knitted brow and knotty cares turns out to be comic relief in the fullest sense of the term.

In fact, this *Tempest* is at its most audacious whenever Mazursky manages to forget about *The Tempest* entirely. His men may be dim contemporary Xeroxes of the Elizabethan originals, but *Tempest*'s principal women are entrancing and original, partly because Mazursky had to improvise where they were concerned. Rowlands's Antonia has no equivalent in the play, but she's a resplendent exemplar of a very New York type—the tough-chic achiever who may be bruised but can't be fazed, no matter what she has to deal with. Antonia is a kind of upscale variation on Rowlands's last stellar role in *Gloria*. She'd like to be the glamorous dame with class she remembers from the Loew's Paradise reveries of her youth; meanwhile, in the real world, love before breakfast is all very well but first she has to go pee.

Rowlands is earth to Susan Sarandon's pure ozone. Mercifully, Mazursky didn't strain to resuscitate Ariel intact, fairies not having the same symbolic clout they did in the Bard's day. Instead, Aretha (so named by her democratic mother after a favorite domestic) is the kind of blithe backpacking expatriate who can be found on any beach on the Mediterranean. When Philip first meets her, she's employed at a Greek taverna, singing "Hava Nagila" in a purple toga to an audience consisting of holidaying

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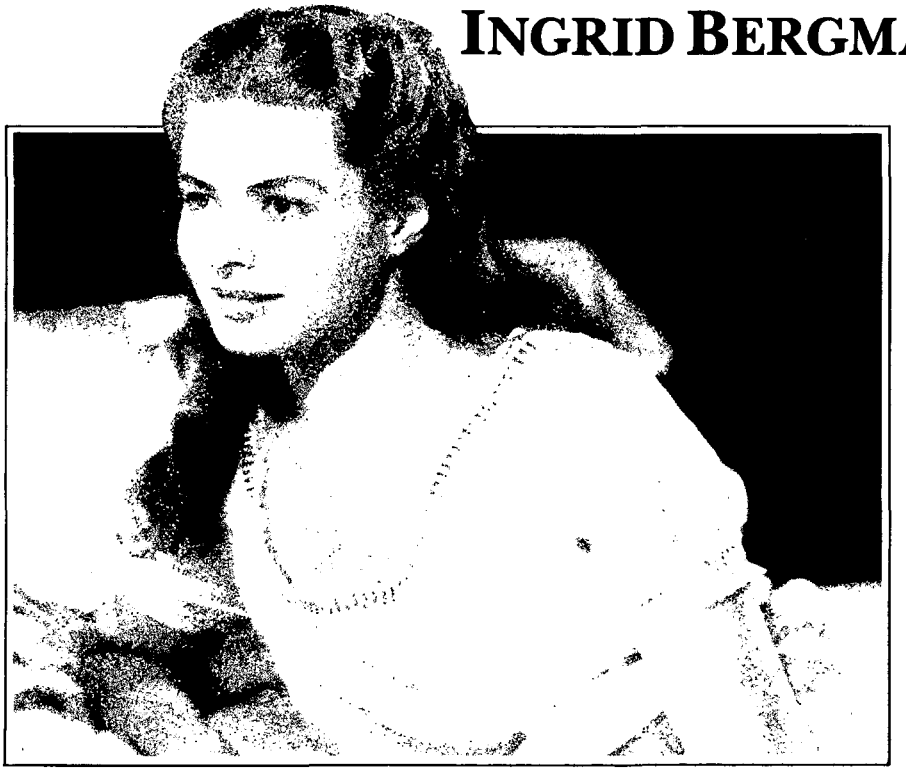
Arabs and Nipponese. Previously wed to an Israeli swimming instructor who couldn't make a living because "Jews don't think they can float," and an Athenian shrink (ditto, since Greeks don't believe in neurosis), if anyone can cope with Philip's dour eccentricities, it's the shockproof Aretha. Sarandon plays her with an unflappable nonchalance that is just irresistible; *she* can't help it if life is so perverse and unpredictable, all she can do is widen her eyes and try to take it all in. Sarandon is a born comedienne whose skills grow more supple with each movie she makes, and she treats this *Tempest* as if it were her own hard-earned, all-expense-paid frolic in the sun.

If only Mazursky had flung his dogeared folio into the Aegean and taken a full-time recess, this *Tempest* might have been an undiluted spree. The movie's conclusion, a moonlit roundelay of reconciliation (see the wish-fulfillment finales of *Bob & Carol & Ted & Alice* and *Blume in Love*) segueing into a Manhattan rhapsody at dawn, may be a slightly cloying conceit, but at least it's indisputably Mazursky's own, and not someone else's epic verse transposed downward into the vernacular. By now, he should have learned something from the hapless strivers he's chronicled for so long—why go looking for more *tsoris* than you can handle, as long as you can get by on a steady diet of yocks mixed with schmaltz?

INGRID BERGMAN (1915–1982)



MANY AFICIONADOS OF movie acting claim that stars are those rare and fortunate performers whom the camera, by some mysterious act of chemistry, loves. The camera certainly did adore Ingrid Bergman, the movie star, but it was the generosity of her response to this brand of idolatry that made her such a treasured artist during a film career that spanned four decades. From the moment she invaded Hollywood in 1939 to remake her Swedish hit, *Intermezzo,* Bergman was forever being praised for her "naturalism," so in contrast, it was always said, to the lacquered narcissism of her rival movie queens. Yet the alleged realism of her acting was in fact the highly intelligent artifice of a performer who understood that the camera should be treated like a living, communicating presence—the substitute eye of her costar of the moment, and, most emphatically, of all of us rapt in our seats gazing up at the screen. I don't think any other actress has ever taken to the close-up with the intimacy and directness of feeling of Bergman. We sensed that the lens was her friend, lover, and confessor, a lifeline that could convey the truth about herself to anyone who cared to watch.

Bergman's grasp of the craft of movie acting was so innate that it was no surprise how alert she proved to be in anticipating its evolution and adapting her own art in kind. She found herself in Hollywood when it was the apex of world movie making; she was drawn to Rome and Rossellini thereafter, because this director's new approach to film making was a challenge and a tonic to someone as restlessly devoted to her work as Bergman, and she simply had to find out more about this new mode of movies for herself. The private liaison that became catnip for the *paparazzi* came afterward. In the decades since, Bergman could always be found where the most challenging work was: in Paris with Renoir, an unearthed O'Neill play on Broadway, and the final return to Sweden for her last film, Ingmar Bergman's *Autumn Sonata*. At the same time, her later career proved she was disarmingly unencumbered with the pomposity which so often goes with the territory of being an international Class Act. The breezy warmth with which she endowed tinsel-like *Cactus Flower* and *Murder on the Orient Express* betrayed Bergman's own amusement at the prospect of chipping away at the monument she had become to so many admirers by the sixties and seventies. Where most of her acting contemporaries seemed to suspend their talents in the amber of their recollected heydays, Bergman never lost the ability to change and grow and surprise us. She once said that one of the compensations of age was that it opened up a whole new range of possibilities for an actress, now that celluloid notions of glamour were no longer an issue. The flaw in that argument was that her kind of womanly allure could be no less potent in her sixties than in her youth—maturity only enhanced it. But to the very last, her career was a testament to her principles. Stardom was all very nice in its way, but the demanding, illuminating task of acting was what Bergman cared about all along. And we, thanks to her friend the camera, were and will remain the beneficiaries. ■

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ALTHOUGH RAINER WERner Fassbinder died last June, we've hardly seen the last of this prolific director's legacy yet; his *Veronika Voss* will, by the time this appears, have premiered in the United States at the New York Film Festival, with his film adaptation of Genet's *Querelle de Brest* (left unedited at his death) still to come sometime thereafter. In the meantime there is *Lola,* the central figure between *Maria Braun* and *Veronika* in his caustic triptych devoted to Germany's resurgence during the postwar years. When it was released in Europe a half-year before Fassbinder's death, *Lola* was largely dismissed as a rather superfluous recycling of material more richly mined in *Maria Braun;* arriving here when it did, the film has had a more respectful press, reflecting the knowledge that Fassbinder's gifts were inimitable, even if his perspective was, at this point in his truncated career, exasperatingly finite. For me, *Lola* is an apt summation of Fassbinder's work and of his contradictions as a film maker. Based on the same novel that inspired Sternberg's *The Blue Angel,* this movie is so indelibly a Fassbinder product as to make any comparison with the Jannings/Dietrich classic irrelevant. If Sternberg's film was a study in perverse psychology, this is an unrelenting tract of cynical sociology, which, per usual, is Fassbinder's singular triumph and most frustrating limitation. As a tableau of bourgeois acquisitiveness without quarter, *Lola* is ironic and compelling, but Fassbinder's inability to see the humans he surveys as anything but the emblems of their respective castes is finally as oppressive as the society he etches with such bravura.

Like Maria Braun, Lola is an outsider by virtue of her sex, erotic candor, and proletarian origins; she wants a niche in the capitalist establishment, which needs the craftiness and vigor offered by the hungry likes of her in order to stay dynamic. In a world where money alone dictates status, everything can be accommodated except weakness or idealism, which in Fassbinder's lexicon of values are virtually synonymous. Lola's rise to respectability is traced in gradual, schematic stages. Cosseted by her lover, a corrupt building contractor who frequents the *louche* cabaret where she works, Lola dons ingenue whites to snare the starchy local commissioner, who aims to thwart her protector's scams; object: matrimony. Where *The Blue Angel* closed on a note of expressionist angst, *Lola* concludes with a bleak "happy ending"—the commissioner is coopted, Lola gets her ring and joins the middle class, and it's back to bed with her Havana-smoking entrepreneur.

Shortly before all this happens Fassbinder unexpectedly allows Lola one moment of conventional human sentiment; she is agonized when her profession is suddenly revealed to her would-be fiancé, not just because her game plan has been derailed, but because she actually feels affection for her quarry, who now sees her in her true colors. (Fluorescent pink, actually, while he is usually photographed through gels of electric blue—the whole movie is a symphony of fifties formica hues.) Fassbinder retreats from this revelation almost as soon as it's introduced, and Lola reverts to form with dispatch. It's as though the quest for power were the sole human motive he could allow himself to believe in—Fassbinder shrinks from all other possibilities like Dracula from the Host.

Lola's visual surface is always playful and inventive. The climactic scene of Lola's unveiling is real virtuoso stuff, the camera swooping and lurching about the cafe in one sustained long-take as the commissioner simmers and bolts from the room, while Lola defiantly bumps and belts at the microphone. Also true to form, the performances are vividly archetypal. Portly Mario Adorf plays the builder with beaming relish, as a man so assured of his powers, both sexual and political, that he can afford to hold them in reserve until the last trump. As Lola, Barbara Sukowa is a mesmerizing chameleon, rearranging her sullen pout with aplomb to suit the guise of a wild-maned temptress during working hours, or a demure and submissive maiden on an afternoon outing with her stuffy suitor. But to the last, the most consistent element is Fassbinder's own embittered sensibility. His bead on the mechanisms that propel modern life was withering, to be sure. Yet the fact that he could never quite see past his own misanthropy and rigid social determinism is finally the saddest thing about the movies he left behind. ■

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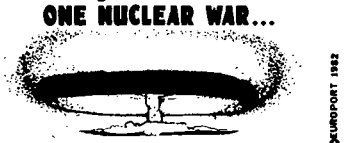

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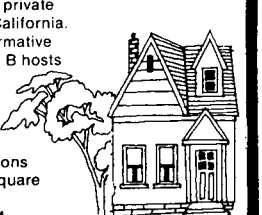

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Dining with Marcos

One of the many dubious advantages of living in Washington is the opportunity to observe the endless procession of foreign heads of state and other dignitaries who come to pay their respects to our leaders. Whichever president, prime minister, or potentate happens to be in town, he rates at least a feature article in the "Style" section of the *Washington Post*.

This procession can be charming, as it was when the president of Iceland, Vigdis Finnbogadottir, passed through town some time ago. We learned that Vigdis is the only directly elected woman head of state in the world; that everyone calls her by her first name because last names are largely irrelevant in Iceland; that the Icelandic telephone book lists everyone, including Vigdis, alphabetically by first name; and that she isn't much into partisan politics but she does believe in peace. Now that's my kind of head of state.

A more depressing example was recently provided by Ferdinand Marcos, president of the Philippines. He was accompanied by his wife Imelda, who coincidentally is governor of metropolitan Manila; various Marcos relatives, who also coincidentally hold high government positions; and a retinue of other thugs with somewhat less impressive titles and functions. Marcos may not be the polar opposite of Vigdis, but he tips the balance at no less than 175 degrees.

Anyone who is the least bit sensitive to the lives of other people in other nations knows that Marcos is the epitome of a corrupt dictator, with a documented list of human rights violations as lengthy as his term in office. Even American conservatives don't talk much about him; as with most dictators whom leftists label "right wing," he's really more of a corporate socialist, whose idea of an enlightened measure is to promulgate a Five Year Plan.

Marcos was in town at the invitation of Ronald Reagan, who treated him and his gang to a formal State Dinner in the Rose Garden. The *Post* provided its usual chatty account of the dinner, complete with a guest list that included such experts on U.S.-Philippines relations as ballet dancer Margot Fonteyn, artist Andy Warhol, and former Dallas Cowboy quarterback Roger Staubach.

Upon seeing Staubach's name on the guest list, the careful *Post* reader should have taken a second look to confirm that the paper he was reading was truly the *Post* and not some *National Lampoon* parody. What does Roger Staubach, who now makes his living selling Rolaids on TV commercials, know about the Philippines? Perhaps he was there to film another commercial: "President Marcos, how do you spell relief?" "Well, Roger, for the upset of insurgency, I spell relief R-E-P-R-E-S-S-I-O-N."

The presence of such irrelevant luminaries at the Marcos dinner underscores what everyone already knows: these formal events are purely symbolic, the ultimate triumph of style over substance. If Marcos and Reagan merely needed to talk to each other, they could use a telephone. But the State Dinner, the mutually admiring toasts, the glittering guest list, and every other sycophantic excess put an indelible stamp of approval, even endorsement, on Marcos and his policies.

There were real reasons, of course, to approve and endorse Marcos. The United States has military bases in the Philippines, and Reagan wants desperately to keep them, presumably to be prepared if we ever get into another Southeast Asian land war. In addition, many American corporations do substantial business in the Philippines—business that might be seriously threatened if anything untoward happened to Marcos and his family. U.S. government support of the Marcos regime, both real and symbolic, amounts to a direct subsidy to these corporations. Marcos, for his part, needs this country every bit as much as the United States thinks it needs him. He has no desire to see his name added to the list of former U.S. allies that includes the shah of Iran and Anastasio Somoza of Nicaragua.

Thus a symbiotic relationship, based on the mutual maintenance of power, is forged. The icing on the cake is the spare-no-expense State Dinner.

On such matters as relations between the United States and the Philippines, I hold a purist position. If Reagan shared it, he would renounce our intent to intervene in the Far East, pull our troops out of the Philippines, shut down our bases, cut off all aid to Marcos, and turn American companies in the Philippines loose to sink or swim on their own. And, of course, he would no longer hold lavish State Dinners with hypocritical toasts.

If this position seems extreme, I have a compromise strategy for President Reagan, perhaps to employ in his last months in office when it shouldn't matter too much. When Marcos or any other bandit chief comes to Washington, let's be totally honest about what he is, why he's there, what we need from him, and what he needs from us. But let's spare the taxpayers the considerable financial and psychic burden of a State Dinner.

Instead, we should pick him up at the airport, put him in a Pinto, and take him to the back room of an Arthur Treacher's for a dinner of fried clams and Diet Pepsi. While he's eating, hand him a telegram from the president that reads: "Dear Tyrant: Even though I think you're the moral equivalent of a carpet beetle, political pressure from a wide range of special interests has forced me to choke back my disgust long enough to reassure you that I'll keep sending you checks as long as you behave yourself. Call if you have any questions. Have a nice day."

I'm anxiously awaiting the implementation of this moderate, sensible strategy for dealing with friendly dictators. In the meantime, I'm soliciting private contributions toward a gala banquet for Vigdis Finnbogadottir of Iceland the next time she's in town.

—CHRIS HOCKER

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Radar Intuition

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Car 54 Where Are You?

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ESCORT's instruction book contains a wealth of information. Actually, it's the ESCORT user's Bible. But, the quickest way to become fluent in ESCORT's language is to play the Radar Disc on your stereo turntable. You'll hear firsthand how to interpret what ESCORT tells you in a number of situations. We now include this special Disc with every ESCORT so you can take a test drive as soon as you open the box.

No Stone Unturned

The ESCORT Radar Disc is the latest addition to a long list of standard features. We don't scrimp on anything. Here they are: ■ Patented Digital Signal Processor ■ Different Audio Alerts for X or K Band Radar ■ Varactor-Tuned Gunn Oscillator tunes out false alarms ■ Alert Lamp dims photoelectrically after dark ■ 1/64 Second Response Time covers all radar ■ City/Highway Switch filters out distractions ■ Audio Pulse Rate accurately relates radar intensity ■ Fully Adjustable Audio Volume ■ Softly Illuminated Signal Strength Meter ■ L.E.D. Power-On Indicator ■ Sturdy Extruded Aluminum Housing ■ Inconspicuous size (1.5H x 5.25W x 5D) ■ Power Cord Quick-Disconnect from back of unit ■ Convenient Visor Clip or Hook and Loop Mounting ■ Protective Molded Carrying Case ■ Handy Cigar Lighter Power Connection ■ Spare Fuse and Alert Lamp Bulb.

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